



Legislature of Ontario
Debate





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Wednesday, November 22, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Wednesday, November 22, 1961, being the first day of the Third Session of the Twenty-Sixth Parliament of the Province of Ontario, for the despatch of business pursuant to a proclamation of the Honourable J. Keiller Mackay, Lieutenant-Governor of the province.

WEDNESDAY, NOVEMBER 22, 1961

The House met at 3 o'clock, p.m.

The Honourable, the Lieutenant-Governor, having entered the House and, being seated upon the Throne, was then pleased to open the Session with the following gracious speech.

Hon. J. Keiller Mackay (Lieutenant-Governor): Mr. Speaker and members of the legislative assembly of Ontario:

It is a great pleasure for me to welcome you to the Third Session of this Twenty-sixth Legislature. In extending to you this welcome I know that you would wish me to take cognizance of the retirement of the former Prime Minister who has given able and distinguished leadership to this House for the past 12 years and whose conscientious and unflagging efforts have made such a notable contribution to the economic well-being and development of this great province and its people. At the same time, I know you would wish to join in extending to the new Prime Minister and his associates our best wishes and prayers that they be guided in wisdom and righteousness in carrying out the heavy responsibilities they have assumed.

For the second consecutive year, the Legislature is commencing its session in the autumn in conformity with the pattern of last year. Hon. members will have ample opportunity to study, consider and discuss the government's financial and economic program, including the budget, the estimates of each department, new legislation and numerous other matters calculated to promote the growth and development of our province and the prosperity of our people.

As in past years, the government's program has been designed to achieve an economic climate conducive to industrial expansion and employment. The year 1961 has witnessed a strong resurgence of economic growth. The pace of economic activity has accelerated. One by one the major economic indicators have advanced to higher levels.

Ontario's gross provincial product has risen to an annual rate of \$16 billion. The rate of unemployment on a seasonally adjusted basis has declined since last February. Ontario's ratio of unemployment is well below the national average and substantially less than it has been in the last two years.

The manufacturing industries, which exercise such an important effect upon the health of the whole provincial, and, indeed, the national economy are now operating at record production levels. Despite the declining output of uranium and iron ore, the entire value of Ontario's mineral production will again approximate 1960's record of almost \$1 billion. The output of our forest industries has increased. Despite a number of difficulties, housing construction is running well above that of last year. Agricultural output has risen. Exports have been increasing. An encouraging aspect of our economy is that public confidence has been well maintained, and that the broad economic picture suggests a continuance of growth and expansion throughout the coming year.

We cannot be complacent, however. The possible entry of the United Kingdom and other countries into the European economic community will introduce new stresses and strains. The price of progress must be unceasing attention to ways and means of improving quality and cutting costs.

The legislative, financial and economic program that will be presented to this House is the most comprehensive in our history. Among many other measures designed to promote the progress and economic well-being of our province, this program will include:

1. New methods to promote co-operation between industry, labour and government, and to increase production and employment;
2. New measures to expand agricultural and industrial research facilities;
3. A major increase in the province's assistance to education. Not only will grants to

local school boards be increased, but larger contributions will be made to universities. Of great importance too will be the continued operation of the \$200 million federal-provincial-municipal program to provide trade and technical school education for our growing industrial economy;

4. New measures to conserve and develop our natural resources;

5. An accelerated program of highways, parks and economic development in northern Ontario;

6. Measures to strengthen individual and family security;

7. Additional advances in mental health care and hospital services;

8. Action to improve the Emergency Measures Organization;

9. New federal-provincial tax-sharing arrangements.

A comprehensive plan is being evolved to assist the economy in achieving a satisfactory rate of economic growth. My government is aware that there is no easy solution to our difficulties, or that it can provide some magic formula which, if taken in sufficient doses, would cause them to disappear. Since the task ahead requires the co-operation of all major groups in the economy, an advisory committee for economic development has been established, composed of men of wide experience in industry, labour and government. Among the sub-committees to be established under the new advisory committee will be one to study the special problems of northern Ontario.

In addition, legislation will be introduced to merge The Department of Economics and The Department of Commerce and Development under the title of The Department of Economics and Development. This will permit a closer integration of the work of The Department of Economics, which studies economic conditions and trends, with the work of The Department of Commerce and Development, which places special emphasis upon industrial promotion. Increased emphasis is to be placed upon industrial research, with the result that the work of the Ontario Research Foundation will be expanded.

Plans for the development of additional supplies of power and energy in all parts of the province will be placed before you. The 100,000 kilowatt thermal generating unit at the Thunder Bay station in Fort William is to be brought into service early in 1962. Progress is being made on the Lakeview thermal generating station, which is designed

to supply 1,800,000 kilowatts of power. Hydro-electric power stations which have a total dependable capacity of 500,000 kilowatts are under construction, or are planned in the James Bay watershed. The capacity of these new power stations is sufficient to meet the electric power requirements of nearly all of Ontario's 1,650,000 homes. Of the two nuclear power stations now under construction, the plant at Rolphoton, near Des Joachims, will be brought into service next spring.

You will be asked to consider legislation providing for the consolidation of the northern Ontario hydro-electric power system, commonly known as the "northern Ontario properties," with the southern Ontario system. This will provide for the financial integration of all systems and permit a more economical development and operation of electric power plants throughout the whole province. The residents of northern Ontario will be ensured greater stability of supplies of power at a reasonable cost.

The Department of Energy Resources, with the full co-operation of industry, has been preparing a comprehensive set of rules and regulations for the guidance of all who are concerned with energy production and distribution. This work is nearing completion and the regulations will shortly be implemented. The Department has developed an expanded program to survey all provincial energy resources. During the coming year, a review of all fuel resources within the province will be undertaken. An examination into natural gas storage capacity is being made. Codes and regulations governing the natural gas industry will be reviewed to ensure that they are adequate and effective.

Legislation will be introduced to set up an Agricultural Research Institute to co-ordinate agricultural research in Ontario. Administrative changes to produce greater efficiency and economy will be introduced in connection with the Ontario Agricultural College, the Ontario Veterinary College and the MacDonald Institute at Guelph. The Co-operative Association Act will be introduced to provide means to assist agricultural co-operatives in the fields of marketing and transportation. You will be asked to amend The Livestock Products Act to provide for the making of regulations to permit bonding of livestock dealers. To simplify the procedures in connection with drainage, your approval will be sought for the consolidation of five related Acts.

The Department of Lands and Forests will

expand its program of forest management, preservation of wild life and the maintenance and development of additional park areas. In addition to the growing number of provincially assisted parks in conservation areas, the provincial parks system now consists of 79 provincial parks. Seventeen new parks were brought into operation last year and many others are now under development or are being planned. More wilderness areas will be added to the 35 already established. You will be asked to provide increased funds for research in forest management, fish and wild life. The conservation functions of The Department of Commerce and Development are being transferred to The Department of Lands and Forests, so that the main conservation efforts of this government and its municipalities will be concentrated in one department.

In the field of mining, the province has entered into a number of joint projects with the government of Canada to provide airborne geophysical surveys for the mapping of the whole province. Paralleling this development will be an expansion of The Department of Mines' geological work to provide for increased field work and for more geological reports and maps. These surveys will provide additional information for prospectors and result in further mineral developments.

The program of matching grants to regionally-based organizations as an incentive to the development and promotion of local tourist attractions, which commenced in 1961, will be continued. The Department of Travel and Publicity will continue its program of establishing new and relocating old reception centres as new bridges and highways are constructed. It is intended to continue the search for some early Huron villages and to carry out excavations at historic sites, as well as to continue the program of commemorating historic events and places by means of plaques.

You will be asked to provide a substantial increase in assistance for education. The growth in the enrolment in our elementary and secondary schools continues to impose a heavy strain upon our resources, both financial and physical. Some indication of the dimensions of this problem may be obtained from last year's increase of more than 100,000 pupil places, constructed at a cost of \$100 million. As the growth in enrolment shows no signs of abatement, expansion must continue.

Revisions of courses of study are under way in many subjects for both elementary and secondary schools. The major undertaking for next year is the development of new courses

for kindergarten and grades one to six. New text-books in history, geography and science have been prepared.

Staffing the Ontario school system is requiring herculean efforts, but the results are gratifying. The number of teachers graduating from the provincial teachers' colleges is more than double that of just five years ago. None of this would have been possible without the expansion in our teachers' colleges. The sixth of the new buildings provided for teachers' colleges during the last six years is now under construction in Windsor. The other five recently built are located in Toronto, Hamilton, London, New Toronto and Port Arthur. The extension of facilities has gone hand-in-hand with the program to raise the standards of admission to these institutions.

The growing industrialization of our province and the need for special skills and greater adaptability in industry and business has pointed up the value of the institutes of technology and other trade and vocational schools. Under the new federal-provincial technical and vocational training agreement, the two senior levels of government assume the capital cost of the schools. As a result, a large number of local school boards are providing increased accommodation for the teaching of technical and business courses. New trade schools will be established in Toronto, Ottawa, London and Sault Ste. Marie, and a new institute of technology is planned for Kirkland Lake. A new institute of technology building will replace the present rented quarters in Ottawa. The Ryerson Institute of Technology will be completed to accommodate a total enrolment of about 4,000 pupils.

Amendments will be introduced to The Department of Education Act, The Schools Administration Act, The Secondary Schools and Boards of Education Act, The Public Schools Act, The Separate Schools Act, and The Public Libraries Act.

Mental and public health services and procedures are constantly being revised in keeping with scientific and professional progress. You will be asked to approve plans and vote monies for improvement to our mental hospitals. A unit of the Ontario hospital school at Orillia that has been demolished will be rebuilt. Two other wings will be replaced in the future. Residential wings will be set up in all Ontario hospitals as well as in the three new hospitals at Goderich, Owen Sound and Palmerston. Increased emphasis will be placed upon rehabilitation. A new rehabilitation branch has been established to provide in-hospital and post-hospital training and local vocational training for patients successfully treated in our mental and TB

hospitals. The work of the new radiation protection laboratory, the first established by any province, will be accelerated. Efforts will continue to be made to encourage young men and women to enter the medical and nursing professions.

Enrolment in the Ontario Hospital Services Plan is continuing to rise. More than 5.8 million Ontario residents—more than 95 per cent of the population—are now free from worry over the financial hazards of hospitalization. This is an increase of 5.3 per cent over membership in the plan a year ago.

The report of the departmental committee set up to study physical fitness in this province will be made available to the hon. members during the course of the session. The physical fitness of our people, including not only our youth, but our post-school age population, is a matter of great concern to your government and the committee's report will be useful in setting out a basis for our future activities in this field. Action will be taken to make full use of the recent federal proposals.

My government welcomes the establishment by the federal government of the Royal Commission on Health Insurance. We will make technical assistance available and co-operate fully with the commission in the conduct of its enquiry.

In the field of welfare, the committee appointed to review Ontario's child welfare program will report upon the completion of its work. Legislation will be introduced to serve children who reside in charitable institutions operated by private organizations. Under new concepts of care and treatment, children with emotional problems will be able to receive the type of residential care and specialized attention that they require. Consideration will be given to the establishment of community children's villages to serve pre-delinquent children. A bill will be introduced to replace the present Charitable Institutions Act with respect to the care of adults. The rehabilitation program for handicapped persons is being widened to include those on the welfare rolls who need rehabilitation services.

The construction of new highways, the improvement of existing facilities and the provision of financial assistance to the municipalities for road and street construction will continue. The Department of Highways, working in close co-operation with other departments, is conducting extensive research into the means of financing highway and road construction. Municipal traffic studies will

be encouraged by provincial technical assistance and grants of 75 per cent of the cost.

Plans are underway to construct new roads linking major airports to adjacent communities. The Rainy Lake causeway is scheduled for completion in 1962, and construction is proceeding at both ends of the Fort Frances-Atikokan highway. Additional work will be done on the trans-Canada highway and on new roads in northern Ontario. As part of the federal-provincial roads to resources program, forestry roads of a new type will be constructed by The Department of Highways in northern Ontario.

Additional appropriations will be required for 401 highway which is scheduled for completion in 1963. Rapid progress is being made on the construction of 403 highway, the Hamilton by-pass. Work will continue on the new controlled access 405 highway between the Homer Skyway and the new international bridge at Queenston, providing a more direct link between the Queen Elizabeth Way and New York State Thruway. Legislation will also be introduced to increase from 80 to 90 per cent the contribution of the province towards bridges and culverts on any connecting link in towns and villages having a population of more than 2,500, other than separated towns.

The Department of Transport will continue the development and implementation of policies and procedures to ensure the safe and orderly movement of highway traffic and to improve driving performance. The policy of re-examining selected driver groups will be expanded. Amendments to The Highway Traffic Act will be proposed to keep pace with new concepts of traffic demands and to further the cause of safety. An analysis of the two-year experience with the demerit point system indicates that it has been an outstanding success and has done much to encourage and improve proper driving attitudes. Legislation will be advanced to further increase its effectiveness and to eliminate apparent inequities in the present system. The successful operation of vehicle inspection lanes in the Metropolitan Toronto area has emphasized the significance of this safety activity and it is proposed to expand this service by making available mobile inspection units to provide inspection facilities in support of community safety programs throughout the province.

This problem of highway safety has also continued to receive attention from the other departments concerned and a Cabinet committee, consisting of the Attorney-General

(Hon. Mr. Roberts), and the Ministers of Highways (Hon. Mr. Goodfellow) and Transport (Hon. Mr. Rowntree), has been set up to provide for greater co-ordination of government activities in this field. A constant review is being made of the situation and studies are continually being carried out to effect improvements, by way of greater police protection on our highways, improved road construction, and more effective highway usage.

It is expected that a report of the select committee on automobile insurance will be submitted to the Legislature shortly. The committee set up to study expropriation procedures has nearly completed its work and it is expected that a report will be presented before the close of the session.

The Royal Commission on Industrial Safety has now presented its report and it has been made available to the hon. members of the Legislature and to the public. This report is under active study in The Department of Labour. Legislation will be introduced at this session in reference to many of the recommendations contained in the report.

Action is being taken to resolve management and labour problems in the construction industry. During the past year, a special Construction Industry Arbitration Board was appointed to adjudicate upon grievances arising in connection with the construction industry in Toronto. A Royal commissioner has also been appointed to report upon problems in the industry with a view to creating greater harmony and stability. It is anticipated that the commissioner's report will be completed and made available before the end of this session. The Department of Labour is also carrying on investigations and providing assistance wherever required.

Action will be taken to strengthen the government's legislation and administration in support of the maintenance of human rights irrespective of race, language, sex, colour or creed.

Hon. members have received copies of the Second Report of the Ontario Committee on Portable Pensions and a suggested draft of The Pension Benefits Act. The portable pensions committee is, at present, reviewing the draft bill and drafting regulations pursuant to it. You will be given an opportunity to study and review progress on this important matter.

The Department of the Provincial Secretary and Citizenship will require additional funds to conduct seminars for ethnic and community leaders. The Department has co-operated

with The Department of Education in training teachers to teach English to newcomers.

The province's liquor legislation, including education, research, and control, is under review. Various bills relating to municipal affairs will be introduced in the Legislature, including amendments to The Assessment Act, The Local Improvement Act, The Municipal Act, The Ontario Municipal Board Act, and The Municipality of Metropolitan Toronto Act. To accelerate the construction of the subway in Metropolitan Toronto and to increase employment, you will be asked to approve a \$60 million loan to Metropolitan Toronto.

Continuing improvements will be made to the province's reform program. A new training school for girls at Lindsay will soon be in operation. A new training school for boys is under construction at Simcoe.

The state of international relations justifies the strengthening of our Emergency Measures Organization and the development of plans to co-ordinate and organize facilities and services in case of war. The details of the action to be taken will be outlined to you. The province's Emergency Measures Organization is being transferred to The Attorney-General's Department.

In the administration of justice, constant efforts are being made to meet changing situations. The government will introduce legislation providing for the creation of an Ontario Police Commission vested with comprehensive powers relating to the maintenance of law and order in Ontario.

A report recently prepared on county and district court jurisdiction and related matters will be tabled and will be the basis of a plan to provide better utilization of our judicial services at the county and district court levels. Plans are being drawn to make our civil courts more readily available to the public who have occasion to seek justice there. Appropriate legislation will be introduced to give effect to a number of the recommendations in the report.

You will be requested to approve legislation to enable the government to enter into the new tax-sharing arrangements which have been negotiated with the federal government to replace the existing arrangements due to expire on March 31, 1962. The new arrangements, under which the province will be free to impose, adjust and alter its tax rates in the major fields of direct taxation in accordance with its financial requirements, will provide a much greater measure of flexibility in the raising of provincial revenue. Not only will increased revenues accrue to the province

from the individual income tax field without a corresponding increase in the burden of taxation, but the province will be afforded the opportunity of entering into a tax collection agreement under which the federal government will collect the tax.

Legislation amending The Corporations Act will be introduced to codify the Common Law with respect to the power of corporations to grant mortgages on property, and also to provide reciprocal legislation to make it possible for a corporation, incorporated under another jurisdiction in Canada, to amalgamate with an Ontario corporation. It is proposed to amend The Corporations' Information Act to provide the public with more up-to-date information with respect to changes in the affairs of corporations as they occur.

Plans will be presented to establish a committee of the Legislature to deal with the matter of redistribution. It is the intention of my government, through this procedure, to provide our people with complete and effective representation, based on the changes in our population pattern of the last few years.

The legislative and financial program that will be placed before you this session is designed to promote expansion and development and to improve the scope and efficiency of the province's social, welfare and economic services. It embraces all the departments and agencies of the government. It has been formulated with regard to both the needs of our province and its financial capacity to support the program.

I am confident that the hon. members will give their conscientious attention to the consideration of this program.

May Divine Providence guide you in your deliberations.

The Honourable the Lieutenant-Governor was then pleased to retire from the chamber.

Prayers.

Mr. Speaker: I beg to inform the House that to prevent mistakes, I have secured a copy of His Honour's speech, which I will now read.

(Reading dispensed with.)

Mr. Speaker: Introduction of bills.

THE REVISED STATUTES OF ONTARIO, 1960

Hon. A. K. Roberts moves first reading of bill intituled, "An Act to Confirm the Revised Statutes of Ontario, 1960".

Motion agreed to; first reading of the bill.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I move, seconded by the hon. Attorney-General, that the speech of the Honourable the Lieutenant-Governor to this House be taken into consideration tomorrow.

Motion agreed to.

Mr. Speaker: I beg to inform the House that I have received during the recess of the House notification of vacancies which have occurred in the membership of the House by the reason of the death of James Anthony Maloney, member for the electoral district of Renfrew South; the death of Harry Corwin Nixon, member for the electoral district of Brant; and the death of Albert Wren, member for the electoral district of Kenora.

Hon. Mr. Robarts: Mr. Speaker, in connection with this report I would like to refer to the members who have passed away since the end of the last session. They will all be very greatly missed by us in the course of our deliberations over the next few months.

I would like first to recall that during the last session of this Legislature two of our members died: the Hon. Dr. William J. Dunlop, who was my predecessor in The Department of Education, which he served with great honour and distinction, and Mr. W. H. Collings who was liquor commissioner for the past several years and faithfully carried out the duties of that office.

James Anthony Maloney was first elected to the Legislature in a by-election in 1956 in Renfrew South. He had lived his whole lifetime in the historic county of Renfrew and came from a family with a political background on both sides of the house. Before being elected to the Legislature he played a large part in the public and professional life of his community. Upon entering the Legislature he took a keen interest in its affairs and played an influential part in the work of a number of its committees, notably the labour committee which presented its report several years ago. He became Minister of Mines in 1958 and did much to strengthen the work of this important department. As well as being assiduous in the work of his department, his advice was always sought in the Cabinet. He was a warm and colourful personality and had a wide circle of friends. Though an aggressive debater he was admired and liked by members of all parties. His passing has left a gap which will not be easy to fill.

The House has also to mourn the passing of a former Prime Minister of Ontario, Harry Corwin Nixon. Mr. Nixon had represented Brant County continuously in the Legislature

for 42 years, having first been elected in 1919. In that period of time he was associated with three political parties, the United Farmers of Ontario, the Progressives and the Liberals, and his riding gave him continuous support. The length of his service in the Legislature is without parallel in the history of Ontario and it is very doubtful if it has been equalled in any Legislature in Canada. During his long years of service both in the Opposition and on the government side, he served this province ably and well. Although he held the Premiership for only three months he was Provincial Secretary both in the United Farmers of Ontario administration in 1919 and in the Liberal administration following 1934. In the last number of years he had given valued service in the Opposition and his comments were always listened to with keen attention both by his own party and by the government side of the House. Mr. Nixon was in many ways a quiet and almost self-effacing person but he did not lack warmth and feeling and among his attributes may be given those very important ones of a quiet sense of humour and balanced common-sense. He will be greatly missed by all hon. members of this House.

Most recently the House has heard of the death of Albert Wren, the Liberal Labour member for the riding of Kenora. He was first elected to the Legislature ten years ago in 1951. Since that time he has been a valued member of the Opposition and served as labour critic. He was always a keen critic in matters pertaining to this and other fields of legislative activity. He was always foremost where the interests of his riding were concerned and he was well liked by hon. members of all parties. Mr. Wren had a fine record of service in this community as well as in this House which will not be the same without him.

I am sure, Mr. Speaker, that all hon. members of this Legislature will join in expressions of sympathy to the families of these three great and worthy public servants who have in their various ways played such great parts in the affairs of this province.

Mr. Speaker, before the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. member for York South (Mr. MacDonald) speak, and before I move the adjournment of the House, and with your permission, I would like to express our deep appreciation to the former Prime Minister (Hon. L. M. Frost). His legislative career covers a long span of years, for he became a member of

this Legislature in 1937 and subsequently in 1943 was appointed to the Cabinet.

He became Prime Minister on the 4th of May, 1949, in which position he served until the 8th of November, 1961. In that high office for over 12 years the government of this province was under his capable leadership. On the firm foundation he established we will build in the people's interests a superstructure in keeping with the growth and development which our expanding economy will require.

The Hon. Mr. Frost's common touch, his human quality, his love of people and his distinctive generosity will always be remembered by the people of Ontario who will cherish him and his wife in their hearts with affection that the passing of the years will not diminish.

Applause.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, it is my opportunity to join the hon. Prime Minister (Hon. Mr. Robarts) and to express the regrets of the hon. members of this side of the House in the loss that we have all experienced in the time that has elapsed since we last met.

Mr. Speaker, the hon. Prime Minister has made reference to the fact that there are five vacancies, all caused by death in the course of the last several months. Two of the five died during our last session, and I would like now to refer to the passing of Mr. Maloney and Mr. Nixon and Mr. Wren.

Mr. Speaker, personal sacrifice is the cost of political life and progress is measured by sacrifice. These men were among us and were one of us. We are assembled in a parliamentary Legislature but there are certain opportunities when non-partisan respect can be eulogized and I think that this is one such occasion. I think we join in the common humanity that we feel in the passing of these three men. They were all three known to us intimately. They laboured here in this House. They worked with us, and effectively.

We know in Jim Maloney, Mr. Speaker, a man who loved life and who lived it zestfully. Life to Mr. Maloney was politics. Who can forget and who will ever forget the dramatic contribution that Mr. Maloney made incessantly and continually to this House and to its debates in the course of the last several years. Certainly, on my behalf and on behalf of those in this side of the House, we offer our sympathy to his family.

And then, Mr. Speaker, I would refer to

Mr. Wren. Albert Wren was a big man. He represented the biggest riding in Ontario stretching for I suppose for one-third of the area across northern Ontario. And all of us know the passion with which he served that area. He seemed to have a continual romance with northern Ontario and to be a spokesman for its people and its interests and its hopes and its expectations. And I think he served that purpose dramatically and I am sure you would want to join with me in expressions of sympathy to his family.

What to say of Harry Nixon? Mr. Speaker, the hon. Prime Minister has eulogized Mr. Nixon very effectively and very well. He was a member of this House longer than any other person. I believe that he served in this House longer than any other man in Canada excepting Sir John A. Macdonald and Sir Wilfrid Laurier.

Harry Nixon was a man among men. He had a sense of integrity and honesty and purpose, and I would mention particularly loyalty, because in our democratic parliamentary system loyalty too is an extraordinary virtue. These things he demonstrated in an extraordinary fashion and certainly here again you would join with me in expression of sympathy to his family.

Mr. Speaker, if I may turn to a more pleasant task that has been afforded by the introduction of the hon. Prime Minister to the subject and to the person of the hon. member for Victoria (Hon. Mr. Frost).

Mr. Speaker, sitting as I do on this side of the House, it is an extraordinary thing to see and be present in the House when the hon. member for Victoria is not in charge of the House as such. I think, Mr. Speaker, that this formal occasion will permit me, maybe in an unguarded moment, to pay my compliments to this distinguished gentleman.

For 18 years the hon. member for Victoria has sat on the treasury benches. For 12 years he has led the House, a consummate political artist who liked to disguise himself as a country lawyer from Lindsay. The disguise was understandable but not misinterpreted. We felt, on this side of the House, that the hon. member exercised his extraordinary ability in a very effective way.

And surely on this occasion I would say that it is a pleasure for all of us and I am sure for all people in all parts of Ontario to know that the hon. member will continue in this House for some indefinite period. It will be for the hon. member himself to say for how long.

And then I would want to pay, on my behalf and on behalf of all, a tribute to his wife who has sat here constantly, in the years I have served, as a helper to him. He often made reference to his wife as his leader of the Opposition. We will understand together, Mrs. Frost, some of the problems of a leader of the Opposition.

Mr. Speaker, one other opportunity and I do it enthusiastically, is provided to me to congratulate the new Prime Minister. At a young age he is assuming great responsibility. He is to be congratulated for accepting this responsibility and shouldering the burden that it entails.

I must be guarded again, Mr. Speaker, in my congratulations, but I certainly say that it is a pleasure to have Mr. Robarts assume this responsibility and to congratulate him, and to tell him that we all hope and we all expect that wisdom and courage will be with him and stay with him in the guidance of his party and in this House, and in that we wish him well. I do so personally and on behalf of all hon. members on this side of the House.

Applause.

Mr. D. C. MacDonald (York South): Mr. Speaker, this is a particularly sad occasion in one respect. Periodically we have had occasion as members of this House to pause and mourn the passing of one of our colleagues, but I think very seldom has it been our misfortune to have to mourn the passing of three within such a short period as the few months since last this Legislature was sitting, particularly when they were three such men as have now passed on.

Jim Maloney, above everything else, was a gallant fighter, and I venture to suggest that we on this side of the House are going to miss him even more than on the government side of the House. It will be a duller place without him.

As for Harry Nixon, I think it is perhaps a unique occasion, because as the hon. Prime Minister (Hon. Mr. Robarts) has indicated, this is the passing of a man who had a tenure of office in this Legislature longer than at any time throughout its whole history. He was a man of quiet dignity as befits a person who has held an office, the highest office in this province, and who maintained the confidence of his people back home throughout all of these 42 years. But I think all of us, in whichever section of the House we sit, will miss him as a personal friend.

As for Albert Wren, if there ever was a man who was a true son of the north I

think Albert Wren was that person. He was attuned to its atmosphere and a vigorous spokesman for its problems and aspirations; certainly for all of us, it is a rather sobering thing to pause and take note of the fact that a man in his early 40's, as physically strong as Albert Wren, should suddenly be cut down in this fashion. It makes us all reflect on the course of this earthly life, its purpose and to what extent we are fulfilling it.

We shall miss all of these who have passed on and I would like to join with the hon. Prime Minister and the hon. leader of the Opposition (Mr. Wintermeyer) in extending our sympathy to the bereaved members of the families.

Mr. Speaker, it is a very pleasant thing to be able to change now and to offer a eulogy to a man who is living and I have no illusions that he is still very much alive.

I am not going to be unguarded in this moment, Mr. Speaker. I have sat in this House now for some six years and I will confess to you that I have found myself one half of the time fascinated and enthralled by the expert practices of the art of politics which the hon. member for Victoria (Hon. Mr. Frost) has given us down through those years. It is my considered view he is in a class in Canadian politics with Sir John A. Macdonald and McKenzie King in that respect. It is rather a select group.

The other half of the time, Mr. Speaker, I have sat over here frustrated with trying to puncture the image that this country lawyer from Victoria has presented to the public and all the things behind it that we wanted revealed, but I would confess to him now that I and all the rest of us have failed, failed rather lamentably, as perhaps the election results are the best proof.

However, we will forget that; that is a closed chapter, and I would like to join with the hon. leader of the Opposition and the hon. Prime Minister in wishing the hon. member and his wife a very pleasant time in their years of relative retirement freed from some of the tensions that he has borne down through the years. What we have failed in achieving with him we shall now pick up with his successor.

However, Mr. Speaker, that again lies in the future and for the moment I would just like to say to the new hon. Prime Minister that we congratulate him for attaining this very high office and certainly I, as a fellow graduate of the Navy, welcome the fact that the senior service is achieving these high posts in this honoured Legislature.

Again, Mr. Speaker, I would like to extend to the hon. Prime Minister my congratulations, but to tell him that I do so conscious of the fact that events have thrust upon me something that I never expected. I suddenly realized a couple of weeks ago that these events have now placed me in the position of being the senior in point of years and in point of tenure of leadership of the three leaders in the House.

I have wondered whether I should not powder my wig each morning, befitting such years. I assure the hon. Prime Minister I shall try to live up to them and at the same time fulfil the role of an Opposition critic.

Applause.

Hon. Mr. Robarts moved the adjournment of the House.

Motion agreed to.

The House adjourned at 4.00 o'clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, November 23, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 23, 1961

The House met at 3:05 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to our Legislature and today we are honoured to have with us as visitors four members of the Manitoba Legislature who are here on the work of a select committee. The members of the Manitoba Legislature are in the Speaker's gallery—Harry Shewman, Douglas Watt, George Johnson and Stanley Roberts.

Presenting petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of Greater Oshawa's Community Chest, praying that an Act may pass authorizing it to give notice of meetings by publishing such notice in the newspaper.

Of the corporation of the village of Erie Beach praying that an Act may pass allowing it to be represented on the county council of the county of Kent.

Of the corporation of the city of Belleville, praying that an Act may pass amending The City of Belleville Act, 1948 to permit monies held by the Board of Governors of the Belleville General Hospital to be kept in a company registered under The Loan and Trust Corporations Act as well as in a chartered bank.

Of the corporation of the Queen Elizabeth Hospital for Incurables, Toronto, praying that an Act may pass changing its name to the Queen Elizabeth Hospital, Toronto.

Of the corporation of the town of Hearst praying that an Act be passed vesting certain lands to one Joseph David Levack.

Of the corporation of the town of Orillia praying that an Act may pass enabling it and the Orillia Water, Light and Power Commission to require owners of lots in subdivisions to assume and pay their respective equitable share of the costs of such improvements before being entitled to the benefit thereof or obtaining a permit to construct a building thereon.

Of the corporation of the village of Markham praying that an Act may pass confirming

an agreement for the construction of a community centre building and arena, confirming a by-law relating thereto and authorizing the issue of debentures therefor.

Of the corporation of the county of Halton praying that an Act may pass authorizing it to receive from persons or for the credit of persons admitted to homes for the aged, etc., real and personal property and to administer such property.

Of the Metropolitan United Church, Toronto, praying that an Act may pass enlarging a trust to enable it to engage an organist who is a graduate of a Canadian institution entitled to grant degrees in music and who holds a fellowship in the Royal Canadian College of Organists.

Of the corporation of the city of St. Catharines praying that an Act may pass establishing St. Catharines Transit Commission, and for other purposes.

Of the corporation of Ontario Co-operative Credit Society praying that an Act may pass impeaching the authorized capital of the society.

Of the corporation of the township of Nepean praying that an Act may pass confirming debenture by-laws for school construction. Also the petition of Nepean township High School District Board, and Collegiate Institute Board of Ottawa, praying that an Act may pass confirming an agreement for the erection in the township of Nepean by the said township board of secondary schools to be operated by the said Ottawa Board.

Of the corporation of the city of Toronto praying that an Act may pass authorizing insurance for members of the city council travelling on business for the corporation and for other purposes.

Mr. Speaker: Presenting reports by committees.

Motions.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I move during the present session of the legislative assembly that provision be made for the taking and printing of reports, debates and speeches, and to that

end, Mr. Speaker be authorized to employ an editor of debates and speeches and the necessary stenographers, at such rates of compensation as may be agreed to by him. Also that Mr. Speaker be authorized to arrange for the printing of the reports in the amount of 1,600 copies daily, copies of such printed reports to be supplied to the Honourable the Lieutenant-Governor, Mr. Speaker, Clerk of the legislative assembly, to the legislative library, to each hon. member of the assembly, to the reference libraries of the province, the press gallery, to the newspapers of the province as approved by Mr. Speaker, and the balance to be distributed by the Clerk of the assembly as directed by Mr. Speaker.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, that is the usual motion, providing for *Hansard*, which has been followed in the last few years and I do not think there is any objection to it.

Mr. Speaker, I move that standing committees of this House for the present session be appointed for the following purposes:

1. Agriculture;
2. Conservation;
3. Education;
4. Energy;
5. Game and fish;
6. Government commissions;
7. Health and welfare;
8. On highways and highway safety;
9. Labour;
10. Lands and forests;
11. Legal bills;
12. Mining;
13. Municipal law;
14. Printing;
15. Private bills;
16. Privileges and elections;
17. Public accounts;
18. Standing orders;
19. Travel and publicity.

Which said committees shall severally be empowered to examine and inquire into all such matters and things as shall be referred to them by the House and to report from time to time their observations and opinions thereon with power to send for persons, papers and records.

Mr. J. J. Wintermeyer (Leader of the Opposition): You will recall that last year we had some considerable discussion about the

re-organization of the committees. My recollection is that at that time it was agreed that we would continue with the numbers of standing committees, Mr. Speaker, you have just read out to us.

But there was an understanding, I believe, that certain re-organization of the several committees would be required in the future. And subsequent to that discussion in this House my recollection is that the hon. Minister of Reform Institutions (Mr. Haskett) headed a committee that considered the advisability of changing the terms of reference of the public accounts committee.

Mr. Speaker, my recollection of that latter meeting was that it was a very worthwhile meeting. The suggestion was made that the public accounts committee should be authorized to undertake more expansive investigation of the public accounts of the province than is permitted at the present time.

My observation at this time is simply this: if we agree to the motion in its current form, we are doing nothing more than perpetuating what we agreed last year was a system that had certain shortcomings, and I think that now is the opportune time to correct those shortcomings. Therefore, Mr. Speaker, I would suggest that before we put this motion that we give the House a full opportunity to voice some observations.

I think there is a genuine opinion on all sides of the House that a substantial improvement can be made in the formulation and organization of the committee. In particular I would hope that there would be hon. members of the House, including the hon. Minister of Reform Institutions who I thought spoke very intelligibly about the subject of the committee a year ago, to again offer the House observations made at that time.

My recollection of his observations, in a nutshell, is simply this—that he suggested that the public accounts committee be formed in the nature of a continuing committee, maybe a small committee, that would have wide powers to investigate the public accounts of the province.

We are all cognizant of the fact that under the present arrangement public accounts meets only when a specific problem is referred to that committee. It does not initiate any activity of its own authority. This I think is a serious shortcoming.

Mr. Speaker, with your permission, I would ask you to invite the observations of the House. There will be others in the House who will want to make observations and

maybe our several thoughts and observations will result in the hope and expectation that we had a year ago, that we could revise and re-organize the standing committee into a more effective vehicle to undertake the business of the House.

Mr. D. C. MacDonald (York South): Mr. Speaker, may I just add one comment along the general line that the hon. leader of the Opposition (Mr. Wintermeyer) has advanced. I agree with him, but I do not think a great deal of discussion is necessary; what is needed is a decision by the government.

We have had, to put it very frankly, a degree of ambivalence in the government approach to the public accounts committee in the past. It has been regarded as a scandal committee on one hand, and then we move tentatively towards using this committee in somewhat the same way as it is used in other jurisdictions—to make a running survey of the accounts of various departments.

Last year I thought we had reached the point where we were going to adopt the latter practice but the comment of the then Prime Minister (Mr. Frost) suggested that we perhaps had not solidly reached that decision. The result was—I do not know if this necessarily follows—that the committee did not get into operation until the latter stages of the session and could not certainly do the job along that line.

I think, Mr. Speaker, the question is a pure and simple one. Does the government now feel that the public accounts committee is a committee that should do serious jobs beyond just investigating scandals when they are raised; and if the government does believe that such is the function of this public accounts committee, will it give assurance that the committee will get into operation forthwith rather than waiting till the middle of February or March 1?

Hon. Mr. Robarts: Mr. Speaker, the difficulty in this motion raised by both the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. member for York South (Mr. MacDonald) seems to concern the public accounts committee only. I would be happy to delete the public accounts committee from this motion, which would permit us to get on with the organization of the other committees of the House.

I will look at this report, with which I am not completely familiar—the committee which the hon. leader of the Opposition says was chaired by the hon. Minister of Reform Institutions (Mr. Haskett) during the last session—and I will bring back a motion to establish

a public accounts committee at a later time—at which time any comment they might like to make can be made.

There are certain matters to do with the procedural arrangements of these committees which I think might be looked at. Last year, if you will remember, we reserved Wednesday for committee work. I do not know if that was completely successful in effect but I intend to look at the organization of the committee work and perhaps, with a little closer time-tabling, to ensure that the overlapping that has occurred in the past with hon. members sitting on several committees and being called to attend at several committees at the same time. . . . I intend to look at that. But I would be happy to delete the public accounts committee from this motion.

Mr. MacDonald: Mr. Speaker, I personally would be willing to entertain the idea of the deletion on one condition—that the hon. Prime Minister gives us the assurance that this issue is going to be brought back to the House at the earliest possible date. Otherwise the net effect of his deletion is to frustrate the objective we have in mind—because he may not bring it back until the middle of February.

Hon. Mr. Robarts: Mr. Speaker, the thought crossed my mind that this point might be raised as I made my suggestion, but I did not think the hon. member would really think I would use this means of deferring the matter until some time next March. I can assure the hon. member that it will be brought back at the earliest possible moment, but I would like the time to look at it before I do so.

Mr. V. M. Singer (York Centre): Mr. Speaker, having listened to the remarks of the hon. Prime Minister, I do not think our leader wanted to limit himself only to the public accounts committee. As I listened to his remarks I do not think he did.

There has been substantial criticism about the committee on commissions: the way it is operated, its ability to call witnesses, who will give answers, what answers they will give and in what form they will be given.

There has been substantial criticism in the House and in committees about the size of these committees—some of the committees running to 50 members—what sort of things come before the committee, efforts by various committees to inquire into departmental matters which do not come before the committees. And on a few occasions, Mr. Speaker, there have been unanimous decisions made in

these committees which the government has ignored.

Surely the time is long overdue when a complete re-organization of the committee system by which this House operates should be undertaken. What more appropriate time than when we have a new Prime Minister?

Mr. Wintermeyer: Mr. Speaker, when I made my comments at the outset I envisaged a substantial discussion by hon. members opposite, because frankly my reference was not intended to be limited to public accounts.

Now, Mr. Speaker, my intention at this time is not to frustrate the motion or anything of that sort. My intention is to bring out what I thought was a conviction in the minds of many hon. members of the House that the time is opportune to consider a re-organization of our committee set-up. To emphasize my point my recollection is that the very committee I spoke about a few moments ago discussed the advisability of whether we should incorporate some of the features of the American system, reduce the membership of the committees, determine the authority of the committees, their power to investigate and to call witnesses, and the like.

But specifically, Mr. Speaker, the point has been made by the hon. member for York Centre (Mr. Singer) that we have been frustrated in conjunction with the committee on commissions. There, constantly, very important matters did come before the committee at inopportune times—times when other committees were meeting or times during which the full attention of the committee could not be given to the serious matter before it.

I think particularly of the reports of Hydro. My recollection is that the then chairman of Hydro came before the committee of commissions—and to his credit he was prepared to give us all the time we wanted—but it simply happened that the committee could only afford two hours and his preparation was the sort of preparation that would require more than two hours' presentation.

The result was that the committee on commissions did not have an effective, or any, opportunity to examine him, or to ask questions.

This was a frustration last year. We were prepared to put up with it, we were prepared to acknowledge it. But I thought there was a conviction that this year some

considerable thought would be given to remedy that shortcoming and, Mr. Speaker, I must say that I would like some further discussion of this problem at this time. I am concerned that all we will do is pass the motion in an amended form and then we will go on to the next order of business and this matter will not be brought before the House until a year hence.

Now is the opportunity to do something about it. I do not think that anybody feels dogmatic about this subject or feels that there is only one answer.

It may well be that the hon. member for Victoria (Mr. Frost) will want to make some observation. I am very serious about this. I ask the assistance, Mr. Speaker, of the hon. members opposite. They have all expressed thoughts publicly on this subject and surely now is the time to come together and co-ordinate these thoughts.

I will co-operate with any reasonable course that the hon. Prime Minister (Mr. Robarts) wishes to pursue in respect to the motion, but I am going to insist that we be given the assurance now that we know the direction in which we are going to go and that there will be an effective opportunity to re-organize the committee set-up. There is no point in passing the motion setting in motion the same procedure we have followed for years gone by in the knowledge that that procedure had real shortcomings. For the world of me I can see no point in proceeding to move the motion and pass the motion without the assurance that the shortcomings will be corrected.

Hon. Mr. Robarts: Mr. Speaker, if I may, just before we vote on this. I have already said there are certain procedural questions I would like to look at concerning these committees and I would like to point out also that the procedure followed by the committees has been altered on many occasions in the 10 years I have been in the House.

There has been a constant effort to make the committees more effective and to make the work of the committees easier for the members who sit on them. So I really cannot subscribe to the point of view that we are doing the same old thing year after year because this of course is absolutely not so.

I am as interested as the hon. leader of the Opposition (Mr. Wintermeyer) is in having effective results come out of these committees and I can assure him I will take steps to see that procedure is looked at with a view to making it more efficient, and in making participation by hon. members of the House

easier. I can assure him there will be an opportunity given both for him to express his opinions and the other hon. members of this House who would like to do so; but in the meantime if we are to get on with the business of the House I think this motion should carry and we will adjust these things as we go along.

I have already said that there is some doubt in my mind personally as to whether the Wednesday was sufficient—when we had no sittings of the House on Wednesday—whether this actually accomplished what we set out to accomplish. All these things will be looked at and the whole matter will be considered. I will give the House my assurance on that point.

Mr. R. M. Whicher (Bruce): Mr. Speaker, I hope that the hon. Prime Minister (Mr. Robarts) when he is considering this question, will also consider the possibility of reducing the number of members on each and every committee. When I remember last year and in years previous various committees of the House that had 50, and as many as 60, members on them and then in order to get a quorum of eight or 10 people the Conservative whips had to chase around the building so that we could carry on the business.

I do not see any sense or reason to this at all. I strongly suggest that the hon. Prime Minister when looking into this question look over the possibility of reducing the number of members, at least cutting them in half, because there are too many, they are completely unwieldy. As a matter of fact I have found that the committees are so unwieldy that they have the appearance of being spoon fed by the government opposite. I feel that we could get a great deal more satisfaction and the committees would do much better work if the numbers were drastically reduced.

Mr. Speaker: Is it the pleasure of the House the mover of the motion be allowed to hold for the time being the appointment of committee No. 17 on public accounts?

Motion agreed to.

Mr. Speaker: I presume now that committee No. 17 will be standing orders, and 18 on travel and publicity moved along and tacked on the end of this particular committee.

Motion agreed to.

Hon. Mr. Robarts: I move that a select committee of 14 hon. members be appointed to prepare and report with all convenient dis-

patch, lists of the hon. members to compose the standing committees ordered by the House. Such committee to be composed as follows:

Mr. Allan, Chairman; Messrs. Carruthers, Cowling, Edwards (Perth), Gordon, Guindon, Hall, Lawrence, Morin, Simonett, Thomas, Whicher, White and Whitney. A quorum of the said committee to consist of four members.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, I move that tomorrow and each succeeding Friday for the present session this House will meet at 10:30 o'clock a.m. and that Rule 2 of the assembly be suspended so far as it might apply to this motion.

Motion agreed to.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, is it the intention of the hon. Prime Minister (Mr. Robarts) to continue the adjournment at 1 o'clock—from 10:30 to 1 o'clock?

Hon. Mr. Robarts: Well, Mr. Speaker, the practice in the past has been that 1 o'clock is the target but it is not set out in the motion that the House must adjourn at 1 o'clock. We will proceed as we have in the past. Being one of the members to whom this has been a great boon over the years in my travelling back and forth to where I live, I know how convenient this motion is as far as many hon. members of the House are concerned. It will be our target to finish by 1 o'clock but we will not be tied down to that because there may be certain circumstances on certain occasions.

Mr. Speaker, I move that the hon. member for Peterborough (Mr. Brown) be appointed as chairman of the committee of the whole House for the present session.

Motion agreed to.

Hon. Mr. Robarts moves that Mr. Speaker do now leave the Chair and the House resolve itself into committee of the whole.

House in committee of the whole; Mr. K. Brown in the chair.

Mr. K. Brown (Peterborough): Hon. members of the House, at this time I would like to take this opportunity to express my sincere thanks to the hon. Prime Minister (Mr. Robarts) and the hon. leader of the Opposition (Mr. Wintermeyer) and indeed all the hon. members of the House for placing their confidence in me and appointing me as Deputy Speaker of this House.

It is indeed a great honour for me to be the Deputy Speaker for this session and I would ask all the hon. members to give me their full co-operation. I assure you that I will endeavour to carry out my duties to the best of my ability. Thank you.

Hon. Mr. Robarts moves that the committee rise and report progress.

Motion agreed to.

Mr. Chairman: The committee of the whole House begs to report progress and asks for leave to sit again.

Report agreed to.

Mr. Speaker: Introduction of bills.

AN ACT TO EFFECT THE CONSOLIDATION OF ALL WORKS AND SYSTEMS OF THE HYDRO- ELECTRIC POWER COMMISSION OF ONTARIO

Hon. Mr. Macaulay moves first reading of bill intituled, An Act to Effect the Consolidation of all Works and Systems of The Hydro-Electric Power Commission of Ontario.

Motion agreed to; first reading of the bill.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, in explanation of this bill, it is related to the second bill that I want to introduce and if I may, I will give the explanation of both of these bills at the same time.

AN ACT TO AMEND THE POWER COMMISSION ACT

Hon. Mr. Macaulay moves first reading of bill intituled, An Act to Amend The Power Commission Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Macaulay: Mr. Speaker, much of these two bills—all of the first bill and most of the second bill—which I have presented for the first reading deals with the consolidation financially of the three systems of Ontario Hydro. There are, however, two separate clauses in the second bill which do not deal with this matter and I would make reference to them first, if I may.

One is a procedural amendment only. There is some confusion, or there seems to be some confusion, as to the meaning of the word "building" in Section 1 of The Power Commission Act and this Act simply elabo-

rates upon the meaning of that word to clarify it.

The second provision of the Act which deals with matters other than the financial consolidation of the three systems of Ontario Hydro, deals with the form of the appointment or election of Hydro commissioners in cities whose population exceeds 60,000 people. In townships the commissions are created and then under The Public Utilities Act the commissioners are elected regardless of the size of the township which has the commission. In the case of cities, however, there is a dividing line at 60,000. For cities of less than 60,000 the commissioners are elected; for cities over 60,000—unless there is a private bill affecting them—the commissioners are and have been appointed.

A problem is created when at the start of the year a municipality has less than 60,000 when they elect their commissioners and by the end of the year they have exceeded 60,000 in population. They should have, for the balance of the year presumably, been appointed. And since there might be some doubt as to the legality of the actions of the commission during the period when the population exceeded 60,000, this is an amendment to permit any city with a population in excess of 60,000 to either elect or appoint a commissioner.

Dealing however with the major weight of both these bills, Mr. Speaker, they are related to the financial consolidation of Ontario Hydro. Ontario Hydro is divided financially into three areas; for northwestern Ontario, for northeastern Ontario and southern Ontario systems.

Northwestern Ontario includes for purposes of convenience for this House the four ridings of Kenora, Rainy River, Fort William and Port Arthur. The area known as northeastern Ontario, for the purposes of Ontario Hydro, is all of northeastern Ontario north of a line carried westerly from Mattawa on the Ottawa River to Georgian Bay. The southern Ontario system is the balance of the province of Ontario. These three areas are the three financial areas which now remain and are administered by Ontario Hydro.

I have spoken in the House on a number of occasions and have presented to the House the explanation of how Hydro was born in 1906, how it is established legally and how in southern Ontario it is composed of approximately 350 municipalities and how part of southern Ontario which is not in one of these 350 municipalities is in an area called rural Ontario. But this whole area in southern

Ontario is financially administered as one area and its equity is owned by the municipalities and the townships which form a part of it.

However, in the balance of the province of Ontario, which is north of the line drawn between Mattawa and the point on Georgian Bay, this is not so. In northern Ontario there are a number of municipalities, approximately a dozen or more, and they share the equity or ownership of the Hydro system north of this line and the balance of it is owned by the province of Ontario, this Legislature. But the whole of the area north of the line is administered by Ontario Hydro in trust for the municipalities in northern Ontario or the province of Ontario, as the case may be.

In the three areas of the province—and I have set this out in a memorandum which I prepared some months ago in anticipation of the fact that this matter might come before the House. I hope that the gentlemen of the House, Mr. Speaker, will take the time to read it, if they are concerned with this problem, because it is an important matter. I have tried to set out in this memorandum a little of the back history of Ontario Hydro, how its generation came about, how we transfer power generated in Niagara Falls and may carry it all the way into the area of the Ottawa Valley, and I suggested in the memorandum the problems that this involved in terms of accounting.

Fundamentally, the issue involved in these matters is this. The province has the three main areas, northwestern Ontario, northeastern Ontario and southern Ontario, which is the whole bottom of the province. The books are kept separately for each one of these three areas—that is to say, the costs of generation, of distribution, of transmission, sale and so forth are kept separate for each one of these three areas. This means, for example, in northwestern Ontario, where total consumption is something in the neighbourhood of 400,000 kilowatts, that if one or two paper machines—each of which uses about 30,000 kilowatts—goes out of operation, if two of them were to go out, this would be 60,000 kilowatts. More than 10 per cent of the consumption in the whole area!

This can have a very drastic effect upon the rate and the finances of northwestern Ontario, which I am citing as an example.

So that I may put it again, northwestern Ontario finances on its own. Its rates are determined by the cost of generation, distribution, transmission and so forth in northwestern Ontario only. Therefore, if in northwestern Ontario, for example, we were to have a situation where there was very little rainfall—

which is quite possible—we will then have to provide power in northwestern Ontario in one of two ways. If there is no water in the river, power would have to be purchased either from bordering states or provinces such as Manitoba, or alternatively coal would have to be burned in the thermal plant. It may well be in the rest of the province—in northeastern Ontario and in southern Ontario—that there is plenty of water, plenty of water indeed, for all the power needs of the northwest, the northeast and the south. But the northwest and the northeast are not connected by a physical interconnection.

This memorandum which I have prepared—and also one which I sent, as I recall, some months ago, to every hon. member in the House—explains the financial problems of physically connecting the northwest and the northeast. I explained in these memoranda why it has not been done, how much it would cost, the limitations of the movement of power and the prospects of doing this in the future.

However, in relation to the northwest, just as an example, hon. members can see from what I have said that the northwest, being a very small system, is isolated. It has 400,000 kilowatt consumption approximately as opposed to the whole system of Ontario, which is over six million. Therefore, it is far less than 10 per cent of the whole system and if one small thing goes wrong it can affect very seriously the finances of the whole area of northwestern Ontario and can force an increase in rates simply because of the vulnerability of the system to the influences of the economics of the country or the fall of rain or other causes such as machines breaking down and going out of operation.

Therefore, the simple advantages to northwestern Ontario in this bill in the event of this whole system being one financially are, some of them, referred to in this memorandum on page 14. I have pointed out; quite apart from the vulnerability of the northwestern system, which is very vulnerable; I pointed out there are a number of inequities possible in creating power in one area, transmitting it for use into another and then moving it back again into the first area at a period when they may be short and the other area has more than it needs.

An example of this was at Des Joachims on the Ottawa River. This was a case of the water being or belonging to northeastern Ontario. Nevertheless, the plant was built and paid for by the southern Ontario system—using water in the north. It transports its power into the south and yet on occasion buys the power back again in the

north simply because the power that it is transmitting into the south may not always be needed and it can be sold back to the north.

The problems involved in attributing the cost element in these transfers of power is immense and they become arbitrary and they become arguable. They become, perhaps, inequitable, so this is an additional problem involved. I would say to hon. members as I have on page 14 of this memorandum, that the advantages of amalgamating the systems financially into one system are these:

There will be a more just allocation of costs and benefits as between the present three systems; a lower rate in the future for all three systems, if possible, resulting from a more economic development of energy resources; a better balanced system more able to withstand economic swings and fluctuations of nature.

There will be a larger set of reserves for contingencies when the three systems are all put into one; there will be a more stable and predictable long range set of rates, which is a very important thing in terms of development of this province; and there will be an easier cost system to administer, coupled with economies which will follow from doing away with duplications.

It has been said, I have noticed, that this is going to involve the consumers of electricity in the province of Ontario in higher rates. This is not so. In fact the amount by which the rate or the costs will go down in the north, my recollection is that the estimate is somewhat in the neighbourhood of \$5 in the northwest and around \$2 in the northeast. This is a reduction of a factor in the cost of producing electricity which will be possible from the amalgamation of these systems.

Now this, hon. members, is perhaps not too clear an explanation. Anticipating my inabilities in this regard I prepared a memorandum and I have had it put on the desks of the hon. members. These bills will now be sent to the energy committee where we will call on officials from Hydro and all of the people from any area of this province who would like to make any comments on these bills, it being the intention of the hon. Prime Minister (Mr. Robarts) that this matter should be fully discussed and fully understood. Like many things on which perhaps the facts are not known.

This is a simple matter which will contribute great benefits to the development of

northern Ontario, and, in fact, for all of Ontario because it will make it possible to have more stable rates, to give longer term contracts to our large industrial customers and to avoid increases in rates in the future which could be avoided as a result of doing away with duplication arising in these systems. I would say to the hon. members of this House that when this has gone through the committee and comes back into the House to be discussed on second reading, I will go into the facts and figures and have some maps before the hon. members so that it will be a little easier to follow.

Mr. Wintermeyer: In view of the elaborate explanation that has been made—and I can appreciate it—on this occasion I am sure the hon. Minister of Energy Resources (Mr. Macaulay) will permit me to encroach on the normal rules and ask a question about this particular bill. My question, Mr. Speaker, is simply this:

The hon. Minister has suggested that the new legislation will assist bookkeeping and the scientific evaluation of rates. Am I correct when I suggest that at the present time the northwestern system is under the jurisdiction of the Legislature, the immediate jurisdiction of the Legislature?

Hon. Mr. Macaulay: No, the hon. leader of the Opposition (Mr. Wintermeyer) is not correct in saying that. This was the point that I made originally that the north, north of the line between Mattawa and Georgian Bay, is jointly owned either: (A) by Ontario Hydro; or (B) by the municipality itself—in which case they are not under the jurisdiction of the Legislature. The rural part of the area in the northern Ontario properties, which are not owned by the municipalities, are in effect under the legislative jurisdiction of this Legislature. But the whole of the Hydro system is to a very large degree under the Legislature's jurisdiction for this reason, that if one looks at The Power Commission Act one can see the very extensive control this Legislature has over Ontario Hydro, in relation to certain powers, if it wishes to exercise an Order-in-Council.

Mr. Whicher: Mr. Speaker, I would like to ask the hon. Minister of Energy Resources (Mr. Macaulay) one or two questions.

The first thing, after the elaborate preparation he has made discussing this subject and endeavouring to sell it to the assembly, I would like to ask him if it is so good now, why was it not done previously? I cannot understand why—

Hon. Mr. Macaulay: Could I answer the question? The reason that it has not been done previously is that it has never needed to be done until now. This whole saving will accrue as a result of plants which we are now about to build on the Mattagami river in the north with a capacity of some 1,200,000 kilowatts and in conjunction with several plants that we are building at Lakeview and in conjunction with the two nuclear plants which are about to come into operation. But I would say to my hon. friend so it is perfectly clear, this is not the time to debate why this has not been done before. There is a perfectly simple answer which I gave while you were—

Mr. E. Sopha (Sudbury): It is all right for you to make such an elaborate and long winded statement on first reading.

Mr. Speaker: Is it the pleasure of the House the motion carry?

Mr. Whicher: Mr. Speaker, I had a question I am sure the hon. Minister would answer.

Mr. Speaker: Actually, the time to ask the questions is on second reading and in committee, when the bill is before the House.

Mr. Whicher: Mr. Speaker, I agree with that too but in as much as the hon. Minister in his wisdom has decided that it would be a good thing to have steady costs for all the province of Ontario, has he given any consideration to the possibility of having equalized rates for all the customers of Ontario Hydro? As I understand it here, he is going to give equalized rates to the three systems. Surely this could be carried on; and perhaps equalized rates could be given to all the people of the province?

Hon. Mr. Macaulay: The hon. member has misunderstood this bill if he thinks that this bill is a bill designed to deal with equalization of rates. This is not what this bill deals with. Perhaps it would be as well, before the hon. member asks any more questions, if he read the memorandum which I put on his desk. I would be most happy to discuss it with him, and I will in the House when we come back.

Mr. Speaker: Orders of the day.

Hon. A. K. Roberts (Attorney-General): I beg leave to present a copy of a report, together with a copy of the appendices and supplementary material of the Attorney-

General's committee on enforcement of the law relating to gambling.

Mr. Speaker, I will give a very short explanatory statement on this report, as I imagine the House would like to have that.

The committee was appointed on July 5, 1961 and consisted of Professor J. D. Morton, chairman, of Osgoode Hall, Rolf Eng and counsel for the committee was Mr. M. L. Friedland. The committee was directed to consider the problems in enforcement of the law relating to gambling with reference to the problems in certain other jurisdictions.

When this report was requested by me it was with a view to getting as much information as possible, and I feel that the committee has done an excellent job in this regard.

It was made clear—the practice was obvious—that the law relating to gambling is contained in the federal statutes and of course any change in the law itself would have to be made by the federal authorities. It was felt, however, that a report at this time would be beneficial and would be of considerable aid in the event of discussions taking place with the federal authority on this subject.

I would refer to the set-up at the beginning. It is composed of several parts. Title No. 1, which is mostly historical and comparative, deals with foreign jurisdiction—the English experience, experience in Norway, Sweden and Ireland, experience in the state of New York, and conclusions drawn from experience in other jurisdictions.

Title 2 contains several chapters dealing particularly with our own province—the pattern of gambling in Ontario, illegal betting on horse races, illegal betting on other sporting events, gaming houses or gambling clubs, pool betting on sports, bingo and lotteries, the financial aspects of illegal gambling, and conclusions. Then there are a number of appendices and supplementary material attached.

The committee was concerned to discover whether gambling had ever been effectively prohibited or regulated, and if so at what price. In particular, they concentrated upon the results of ineffective attempts to regulate and control gambling. The committee was unable to point to any successful attempt, past or present, to completely prohibit all forms of gambling.

An examination of the experience in Great Britain, Republic of Ireland, Norway and Sweden, and the state of New York led the committee to conclude that it had not proved possible to enforce anti-gambling laws which appear to the public at large to involve unfair

distinctions. In Great Britain and the European countries the committee found the tendency has been to legalize more and more forms of gambling under strict controls, in an attempt to produce a fair system which would command public support.

Some ten years ago when a committee was sitting there, out of which arose an Act last year in Great Britain, it found that a third of the adult population of Britain was involved in football pools, and that no less than some 7 million were using the coupon method, and some 4 million were betting off the track.

The committee felt that a clear distinction would be drawn between the experience in the United States and that in the European jurisdictions mentioned. In the European jurisdictions it did not appear that bookmakers, for example, were generally regarded as criminals. The committee points out that this is no doubt due to the fact that bookmakers in those jurisdictions were always permitted to carry on certain legal gambling activities.

In North America, on the other hand, it was found that bookmaking in all its forms has been illegal for many years. The evil of illegal gambling in North America appears in the committee's view to be the concentration of vast sums of money in the hands of criminals. In the United States it appears to the committee that this money is used to finance operations of a general criminal nature.

On the basis of the study of law in these other countries the committee concluded that regulation on a pattern similar to that of the criminal code has not proved workable elsewhere. While the committee did not investigate detailed gambling operations in Ontario, and makes no report of the exact extent to which illegal gambling flourishes, it concludes that there is considerable illegal gambling within the province.

It was of the opinion that enforcement of the exact law is extremely difficult if not impossible. It further noted the present law is based upon what may appear to be unfair distinctions between various types of gambling.

With these considerations in mind, and with the intention of avoiding very grave problems which have arisen in the United States, the committee has examined the existing law in Ontario with an eye to its fairness and enforceability. With a view to achieving that measure of fairness which would command the necessary public support

for enforcement, the committee has recommended an extension in the legal outlets for gambling.

The suggested extensions include an off-track pari-mutuel betting system and a reshaping of the laws relating to some types of social clubs, some lotteries, and the operation of bingo games. And I repeat again, of course, that this is all within the criminal code provisions and therefore is a matter which must ultimately be dealt with by the federal authorities.

The committee says that where an extension of gambling is recommended—and this again would involve changes in the criminal code—strict control of such legal gambling might be maintained by what it terms a new provincial gambling control board. Bingo operators, for example, would be required to obtain a permit, and carnival operators a licence. There is, of course, at the local level a certain amount of this being done at the present time.

In order that an increase in legal betting on horse races shall not result in any dramatic increase in profits by the racing associations, the committee proposes that each particular association take be fixed by a public board.

With reference to the remaining gambling operations, the committee recommends strict enforcement and makes the following particular proposals, which I quote:

Realizing that the telephone is essential to a successful bookmaking operation, it proposes that the telephone company be authorized to discontinue or refuse service to a subscriber upon notification by the Attorney-General that he reasonably believes such telephone is being used for an unlawful purpose.

In view of the difficulties of detecting the physical whereabouts of back ends the committee recommends that the criminal code be amended to authorize the attachment of a device to a suspected subscriber's telephone on a warrant of the provincial Attorney-General. This device would not listen to or record conversations but would merely report the numbers dialed by the particular subscriber. Before automation this information might have been obtained from the records of the Bell Telephone Company by an ordinary search warrant.

A number of other proposals relating to enforcements are made. For example, the committee recommends the imposition of much heavier sentences on those convicted of illegal gambling.

Finally the committee is of the opinion that the problems involved in illegal gambling demand not the temporary scrutiny of an *ad hoc* Royal commission but continuous scrutiny by an independent body of a permanent nature.

The function of such a body, the committee stresses, would be to observe and investigate crime and law enforcement in Canada. It should, in the committee's view, form part of the machinery of the Dominion government; it should have power neither of administrative control or prosecution; it should operate by way of inquiry and public report, leaving it to those at present charged with the responsibility for legislation and law enforcement to withstand such impartial scrutiny.

I congratulate Professor Morton, who is in the wings today, and his associates for the businesslike, efficient manner in which they tackled this job and in a relatively short period of time came up with some definite views as contained in the comprehensive report which has today been tabled in the Legislature. A copy of this report will be well worth the study of anyone interested in the problems involved.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, I just wanted to ask one question of the hon. Attorney-General (Mr. Roberts). Will a copy of this report be made available individually to the hon. members?

Hon. Mr. Roberts: I will be very glad to see that a certain number of copies are put in the hands of the hon. leader of the Opposition (Mr. Wintermeyer) and in the hands of the hon. member for Wentworth (Mr. R. C. Edwards), and he can distribute them.

Mr. J. J. Wintermeyer (Leader of the Opposition): This is a disgrace. The press has had this report for two and a half hours and the hon. Attorney-General (Hon. Mr. Roberts) sat there and briefed them, and now he suggests that this responsible body, that we, will have but two or three copies?

Hon. Mr. Roberts: I did not say two or three copies. I will be glad to put in the hands of the hon. leader of the Opposition whatever number of copies he wants.

Mr. Wintermeyer: Every hon. member is entitled to a copy and we are entitled to an opportunity to debate this. Mr. Speaker, the simple fact is that this is one of the most serious things that has ever come before this Legislature and the hon. Attorney-

General (Hon. Mr. Roberts) is suggesting that this report does not suggest organized crime in Ontario? Why, it demonstrates that the very tie-in between New York and Ontario is—it comes right out of the pages. This report was designed and intended to talk about enforcement which is the hon. Minister's responsibility. Mr. Speaker, I suggest that the hon. Attorney-General owes it to this very Legislature now to tell us what he thinks about this report.

He has had it for two weeks. He has had an opportunity to think about it and he certainly must have opinions. Is this report acceptable? Does he believe and does he think that legalized gambling is the answer to this problem in Ontario?

Does he think that a Dominion bureau can do the job that constitutionally is required to be done by the province of Ontario? Does he think that this does the job of the New York State Crime Commission that constantly has the opportunity to investigate these problems? These are the things we want to know. And this brief statement certainly is not going to be accepted.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, this report is tabled on the second day the House has been in session, to provide information for the benefit of the hon. members of the House. It is here for all the hon. members to see. It is not permitted for debate today as the hon. Attorney-General (Mr. Roberts) has simply given an explanation to the hon. members of what the report contains so the hon. members may make up their own minds as to whether they wish to pursue any further study of it.

As far as debating the report is concerned, the first point is of course that it is a report which was submitted by an independent body to the hon. Attorney-General and is not a document of this House, such as is a report of a select committee of the House. On the other hand, if you refer to the Speech from the Throne you will find that we do propose to introduce certain legislation dealing with the maintenance of law and order and at that time there will be an opportunity to debate the matters contained in this report. In the meantime the report is available for study by any hon. members of the House who wish to look at it.

If necessary, I would be prepared to consider the possibility of putting the report on the order paper to be debated, if this is what the House would wish. But it does

seem to me that there will be other opportunities to debate these things during this session, and this report is submitted so that in those debates any hon. member taking part will be fully informed with all the information that we have been able to gather on this subject through the means of this committee.

Mr. V. M. Singer (York Centre): Mr. Speaker, I am rather surprised to hear the hon. Prime Minister (Mr. Robarts) say that it is not a document of the House. After all, this commission was set up by a Cabinet Minister, costs of the commission undoubtedly were paid by the province of Ontario. The government has seen fit to release this report to the press—and it was released to the press, I would presume, from reading one of the daily papers early in the day, because there is a story on the front page of one of the daily papers that says: **BETTING PROBE ASKS NEW TEETH.**

To read that story you presume the gentleman who wrote the article had some knowledge of what was in the report. It seems rather strange to me that a report, as important to the welfare of this province as this report seems to be, as the hon. Attorney-General (Mr. Roberts) has indicated it might be, should be placed in the hands of the press and not in the hands of the hon. members; and that the hon. Attorney-General gratuitously said he "will make a few copies available to the hon. leader of the Opposition and the hon. member for Wentworth."

Surely it is a document that should be placed in the hands of every hon. member just as soon as possible. And surely it is a document that has the utmost importance in all of its aspects. And surely it is a document that should be fully and thoroughly discussed.

It is not an answer, Mr. Speaker, I suggest, to put a few words in the Speech from the Throne or to have the hon. Attorney-General say—being quoted in the paper today—that the commission (that is the commission referred to in the Throne Speech) will be able to meet any situation like the current gambling and crime controversy. The papers have been quoting the hon. Attorney-General correctly over the months: there is not any real controversy, there is not any real issue, there is nothing there.

Now, Mr. Speaker, surely this is something that has to be fully discussed; and the mechanics of it, the machinery to do it, starts with this report. It is completely ridiculous for the hon. Attorney-General to say he will make a couple of copies available.

Mr. D. C. MacDonald (York South): Mr. Speaker, in handling this kind of a report I am particularly complaining about the fact that some hon. members of the House walked into this House with copies of the report and had it in advance of the hon. Attorney-General (Mr. Roberts) making his statement.

Hon. Mr. Roberts: It was a request made by the hon. leader of the Opposition (Mr. Wintermeyer).

Mr. MacDonald: Okay, only one. That is okay, Mr. Speaker. If there is only one my point is made and I shall deal with that point. If the hon. Attorney-General (Mr. Roberts) is going to give copies of the report to the press, and other hon. members of the House are going to come in here with copies of that report in advance, I think there is an obligation on the hon. Attorney-General—if he wants to keep it confidential for the period it is in the hands of the press until he makes his statement in the House—that he place a copy confidentially in the hands of each of the leaders of the parties in the Opposition. He did not do that.

Hon. Mr. Roberts: If the hon. member for York South (Mr. MacDonald) would just let me say what I did do; I said it was for release after tabling in the Legislature on Thursday afternoon, November 23, so far as the press is concerned.

Mr. MacDonald: That is not the point I am raising. The point I am raising is that if the hon. Attorney-General (Mr. Roberts) released it to the press and other hon. members of the House came in here with a copy—I am not criticizing the press, I am not criticizing the other hon. members—I am criticizing the hon. Attorney-General.

Hon. Mr. Roberts: I am used to it.

Mr. MacDonald: I know the hon. Attorney-General (Mr. Roberts) is used to it and he will have to get used to it a great deal more—

Mr. Speaker: Order.

I would ask the hon. members of the Legislature to address the Speaker in their remarks and not directly across the Chamber as has been done.

Mr. MacDonald: Well, Mr. Speaker, I have made my point and I hope that as a general proposition this can be considered in the future, not just with reference to the hon. Attorney-General (Mr. Roberts). If reports

are going to be given out confidentially, if the hon. Minister does not want to distribute them and broadcast to all the hon. members of the House, I think each of the parties in the Opposition is entitled to equality of distribution, at least at the leadership level, until it becomes generally distributed.

My second point, Mr. Speaker, is this: I think it is ludicrous that it should be suggested we have only a few copies to distribute around, because there should be a copy to every hon. member of the House. Everybody should have an opportunity to study this because the net effect of this report is to pull the rug out from under the hon. Attorney-General on the basis of all his pronouncements for the last year.

He is talking out of both sides of his mouth, Mr. Speaker, and I will talk to you on this. He is saying to the people of this province—and he continues to say it in his inimitable way—there is no organized crime; whereas (a) he brings in a report which documents the existence of organized crime, and (b) he brings in announcements through the Throne Speech that there is going to be a bill to set up a police commission in this province to cope with organized crime.

When we have this sort of hugger-mugger approach on the part of the hon. Attorney-General, I think that everybody should have a copy of this. I even would suggest to the hon. Prime Minister (Mr. Roberts) that maybe it is better that we take this issue as an issue by itself and put it on the order paper and have a debate on it. Otherwise it is going to be running through all of the other debates in the Throne Speech.

I think it might be the tidiest procedure to have a debate dealing with this as quickly as possible and perhaps then the pent-up feelings of a lot of people in this province as well as this House, because of the procedure in this House of the hon. Attorney-General, can be coped with.

Mr. E. Sopha (Sudbury): Mr. Speaker, may I raise with you, sir, a point relating to the privileges of this House. I speak as an hon. member of this House sent here to represent some 40,000 people.

It is not my intent to criticize the press. I feel a great many of us or most of us would hesitate very much before doing so. But I ask you, sir, as an hon. member of this House, for at least equal treatment with members of the press.

Some of us were about the government's business, or our participation in it, around nine o'clock this morning. I was in the

corridor, sir, and it early became apparent that there was a big meeting of the press in the office of the hon. Attorney-General (Mr. Roberts). One would not need to be excited by much curiosity to make some inquiries what it was about. We were told, Mr. Speaker, that the hon. Attorney-General, along with Professor Morton and his committee, were going to brief the press on the contents of what will be known in a day or so as the Morton report. One of the personnel of the office of the hon. leader of the Opposition (Mr. Wintermeyer), sir, was dispatched at a reasonable time, around 11 o'clock, to inquire at the office of the hon. Attorney-General whether a copy of the report might be made available to us. He was refused. He was refused, sir.

At about 11.45 a.m. there was a great exodus of the members of the fourth estate proceeding in an easterly direction along the corridor, each one of them, sir, having a copy of the Morton report. The hon. Attorney-General, sir, did not deign to make available a copy of the report to the office of the hon. leader of the Opposition until approximately 2 o'clock.

Having made that preamble, let me again assert that it is not my desire to criticize the hon. members of the fourth estate who are friendly to all of us, but I ask, sir, that at least we get equal treatment. That is all.

I do not know what Professor Morton, if his language—and he is a very able and well respected academic person in the field of law, and I assume that he writes with the most articulate of English—I do not know if his report is in good prose using the best of the Queen's English. I do not know in the first place why it is necessary for Professor Morton to be asked to give the time to make further explanations to the members of the press. But, sir, I do not complain about that. All I ask is that if Professor Morton is asked to make explanations about his report to the members of the press, then perhaps the meeting could be arranged so that members of the Opposition party could also attend and have the benefit of explanation, dissertation, exposition, by the able Professor Morton. Perhaps in the future that can be done.

But, sir, I say, and I measure my words carefully, that I have always had the impression in the two years that I have sat in this House that the least important person in the House is the hon. member of the Opposition and many times I have, though I do not criticize them, I have envied the members of the fourth estate for the treatment they are given by this government. I say these words today, sir, when we have the era of a new

broom on the other side, that these things that give us cause to complain may with the emergence of the new hon. Prime Minister (Mr. Robarts) be swept away so that we have no longer any source or need for rancour in our hearts. That we may go forward into the new era in a spirit of co-operation, and may I say, sir, and I do not exaggerate too much, a spirit of brotherly love.

Mr. MacDonald: Mr. Speaker, if you would permit me to add one further word in the light of the information that has now been given to the House, I would just like to underline in specific terms my general comments. The hon. Attorney-General (Mr. Roberts) is presumably responsible for dispensing justice and other things impartially. And what he did now, we discover, is to deliver a report to the hon. leader of the Opposition (Mr. Wintermeyer) at 2 o'clock and we have none in connection with the New Democrats of this House, we have not one as yet.

Now, I know it is difficult in view of his past practices for the hon. Attorney-General to be impartial, but I would ask you to use your good offices to try to persuade him to treat not only us on this side of the House fairly along with the members of the fourth estate, but the parties on an equal basis too.

Hon. W. A. Goodfellow (Minister of Highways): Mr. Speaker, before the orders of the day, I wish to take the hon. members of the House into confidence. I wish to make a statement to the House respecting the provision of services to the travelling public on 401 Highway.

The government has decided as a matter of policy to establish service facilities on Highway 401 which now extends continuously for 240 miles from London to 14 miles east of Belleville. While the details of this policy are still being worked on, plans are being prepared to establish service areas at six or seven selected points so that motorists can obtain the essential services required for their comfort and safety. The construction of these areas will be proceeded with as soon as possible and during the construction period it is planned to have temporary facilities available to provide the motorist with essential requirements.

The question of service areas has over the past year or so been receiving careful consideration by the government and The Department of Highways has been conducting studies to consider the many problems which had to be solved before an intelligent and satisfactory policy could be established. For instance, it has been necessary to con-

sider the present and anticipated traffic volume from patterns to arrive at a conclusion which will provide the maximum service to the motoring public with the minimum effect on established business.

I feel that we now have the solution to most of these problems. Up until this year the lack of services on 401 has not been considered serious, but with the closing of the gap between constructed sections it is now felt that a start should be made on the establishment of these areas.

Mr. R. C. Edwards (Wentworth): In regard to this statement the hon. Minister of Highways (Mr. Goodfellow) has just made, according to an item which appeared in the *London Free Press*, The Department of Highways has recently established temporary safety patrols on this highway that takes care of this neglect on the part of The Department when the highways were originally planned. Would the hon. Minister tell us how many such patrols are being effected at the present time, where they are being effected and the approximate cost of those patrols?

Hon. Mr. Goodfellow: I would be very pleased, Mr. Speaker, to secure the information for the hon. member.

Mr. Singer: Mr. Speaker, may I ask the hon. Minister of Highways (Mr. Goodfellow) a question arising out of his remarks. Are these services going to be owned by the province of Ontario or are they going to be private?

Hon. Mr. Goodfellow: That is just a matter of detail that is being worked out.

Mr. Singer: Would the hon. Minister be prepared to announce how the detail is going to be worked out, because I think this is most important, and I think, Mr. Speaker, that we should have a full statement on this.

Hon. Mr. Robarts: Mr. Speaker, this now concludes the business of the House for today. Tomorrow will be taken up with routine proceedings. I believe there are some more bills that will be introduced and possibly a report of the striking committee and on Monday we will proceed with the moving and seconding of the motion for an address in reply to the Speech from the Throne.

Hon. Mr. Robarts moved the adjournment of the House.

Motion agreed to.

The House adjourned at 4:35 o'clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, November 24, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, NOVEMBER 24, 1961

The House met at 10:30 o'clock, a.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the east gallery and in the west gallery the students from Peterborough teachers college.

I have been asked to announce that the striking committee will now meet at 12 noon on Monday and the amended notices will be on the desks of the members of that committee this morning.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the town of Oakville and the corporation of the township of Trafalgar praying that an Act may pass defining an area, in the new municipality created by the amalgamation of the township and the town, comprising all that part of the said new municipality lying south of the upper Middle Road; and for related purposes.

Of the corporation of the city of Windsor praying that an Act may pass authorizing the inclusion on the board of governors of the Metropolitan General Hospital of a member appointed by the Essex County Council; and for other purposes.

Of the board of trustees of the Roman Catholic Separate Schools for the city of Ottawa praying that an Act may pass raising the membership of the board from nine to ten.

Of the corporations of the county of Essex, the town of Leamington and the Public Utilities Commission of the town of Leamington praying that an Act may pass to confirm an agreement for the supply of water and the furnishing of fire protection to the Sun Parlour Home for Senior Citizens.

Of the corporation of the Young Men's-Young Women's Christian Association of Cornwall praying that an Act may pass exempting its real property from municipal taxation except for local improvements.

Of the corporation of the township of Wicksteed authorizing certain school construction and debentures therefor.

Of the corporation of the town of Richmond Hill praying that an Act may pass re-constituting the council.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

THE LEGISLATIVE ASSEMBLY ACT

Mr. K. Bryden (Woodbine) moves first reading of bill intituled, An Act to Amend The Legislative Assembly Act.

Motion agreed to; first reading of the bill.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, I have four bills related to the same general matter and I would like to introduce them now if I may and if there are any questions I could speak to them all when I have finished with the fourth.

AN ACT TO AMALGAMATE THE DEPARTMENT OF ECONOMICS AND THE DEPARTMENT OF FEDERAL AND PROVINCIAL RELATIONS AND THE DEPARTMENT OF COMMERCE AND DEVELOPMENT

Hon. Mr. Macaulay moves first reading of bill intituled, An Act to Amalgamate The Department of Economics and The Department of Federal and Provincial Relations and The Department of Commerce and Development.

Motion agreed to; first reading of the bill.

THE ONTARIO PARKS INTEGRATION BOARD ACT

Hon. Mr. Macaulay moves first reading of bill intituled, An Act to Amend The Ontario Parks Integration Board Act.

Motion agreed to; first reading of the bill.

THE CONSERVATION AUTHORITIES ACT

Hon. Mr. Macaulay moves first reading of bill intituled, An Act to Amend The Conservation Authorities Act.

Motion agreed to; first reading of the bill.

THE PARKS ASSISTANCE ACT

Hon. Mr. Macaulay moves first reading of bill intituled, An Act to Amend The Parks Assistance Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Macaulay: Mr. Speaker, the first bill I introduced was a bill which I think even from its title is self-explanatory. We at the moment have a department which is usually called or referred to as The Department of Economics. Its full name actually is The Department of Economics and Federal and Provincial Relations and, as hon. members are aware, there is a second department entitled The Department of Commerce and Development. Both of these departments are going to be amalgamated by this one bill and the undertakings of each integrated into the one department.

Attached or connected to this main bill are three others, and there may be several others, wherein in the past the Minister in charge of the department has been named as the Minister of Commerce and Development, such as in The Ontario Parks Integration Board Act, The Parks Assistance Act and The Conservation Authorities Act.

In the case of The Ontario Parks Integration Board Act we have simply substituted the name of the Minister of Economics and Development in place of the Minister of Commerce and Development; and in the case of The Conservation Authorities Act and The Parks Assistance Act, we simply provide that instead of a named Minister, the Minister shall be the member of the Executive Council designated by the Lieutenant-Governor-in-Council to administer the Act.

Mr. Speaker: Orders of the day.

Mr. L. Troy (Nipissing): Mr. Speaker, before the orders of the day—

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, I have some bills.

THE PROVINCIAL PARKS ACT

Hon. Mr. Spooner moves first reading of bill intituled, An Act to Amend The Provincial Parks Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Spooner: Mr. Speaker, I might say the purpose of this bill is to add conservation officers to those persons who are presently entitled to the same authority as a member of the Ontario Provincial Police force while in a provincial park.

THE FOREST FIRES PREVENTION ACT

Hon. Mr. Spooner moves first reading of bill intituled, An Act to Amend The Forest Fires Prevention Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Spooner: Mr. Speaker, the purpose of this bill is to permit the department to enter into agreement for forest fire protection and prevention and control with agencies represented by the government of Canada and other Crown agencies.

THE FORESTRY ACT

Hon. Mr. Spooner moves first reading of bill intituled, An Act to Amend The Forestry Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Spooner: The purpose of this bill is to still further explain the meaning of the term "owner" within the Act at the present time.

THE FISH INSPECTION ACT

Hon. Mr. Spooner moves first reading of bill intituled, An Act to Amend The Fish Inspection Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Spooner: Mr. Speaker, the purpose of this amendment will authorize the making of regulations respecting the marketing of uninspected and sub-standard fish, and this is really legislation which is complementary to the work of the federal agricultural department with respect to the handling and inspection of fish.

Mr. Speaker: Orders of the day.

Mr. L. Troy (Nipissing): Mr. Speaker, I had risen before because I understood you to call the orders of the day, so with apologies

to the hon. Minister of Lands and Forests (Mr. Spooner) I have a question to direct to the hon. Provincial Treasurer (Mr. Allan).

The question is—and he has already been provided with copies of that question—if, as reported in the press, the hon. Provincial Treasurer is to make some changes in the forms issued to the retail vendors in this province, would he seriously consider directing that these be printed in both French and English, realizing as he does that in northeastern Ontario, the Ottawa valley, and the border regions, there is a large percentage of the citizens resident in those areas who speak the French language and thus a great majority of the retail merchants are French-speaking?

I presume that in the administration of this retail sales branch that the hon. Provincial Treasurer wants as little acrimony as possible among the merchants and in my own section of northeastern Ontario, certainly the Ottawa valley and those regions that I spoke of, most of the merchants speak the French language.

I am sure some of these forms are rather difficult to comprehend even to those who understand English.

Mr. Speaker: Order. Has the member finished his question?

Mr. Troy: Well, I think some amplification—

Mr. Speaker: No, just the question.

Mr. Troy: Yes.

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, in reply to the question asked by the hon. member for Nipissing, I may say in regard to the first part that the forms issued by the sales tax branch will be under constant review, as are all department forms, so that at the time of reprinting any improvements can be incorporated therein. I might indicate that while the use of modern business machinery is extremely helpful, it sometimes also restricts flexibility.

With regard to the second part of his question, that too will be kept in mind and as a matter of fact has been kept in mind. Some members of the present staff are bi-

lingual and as additional staff—for instance, audit staff—is appointed, some of these certainly will be bilingual.

Mr. Troy: Mr. Speaker, I have not asked that second question yet.

Mr. Speaker: Order. I would just like to point out since we are in the first part of the session, that when the members submit a question to the Speaker, they should give the question as submitted to the Speaker without any amplification.

Mr. Troy: Mr. Speaker, may not the questioner have an opportunity to present his question to the House? I have not asked this second part of the question yet, sir. The question was: Will he also see to it that he includes as soon as possible in the personnel of the field staffs in northern Ontario, those who have the qualification of being bilingual? In the North Bay region there is not one, and the bulk of the merchants in those smaller communities speak the French language.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

The 53rd Annual Report of The Hydro-Electric Power Commission of Ontario for the year ended December 31, 1960.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, if I may be permitted to say in relation to the report that the hon. Minister is now tabling, I believe this report has been distributed during the year to all hon. members, but I have sent for additional copies and I had hoped they would be here by now. If not they will be put on the hon. members' desks today and they will have them to look at if they care to do so.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, that concludes the business of the House for today. On Monday we will commence the Throne Speech debate.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:00 o'clock a.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, November 27, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, NOVEMBER 27, 1961

The House met at 3:05 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the east gallery members of the Women's Liberal Association, Stouffville.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I have here a message from the Honourable the Lieutenant-Governor signed by his own hand.

Mr. Speaker: The Honourable, the Lieutenant-Governor transmits estimates of certain sums required for the audit office, The Department of Insurance, the office of the Lieutenant-Governor, the office of the Prime Minister and The Department of Travel and Publicity for the year ending March 31, 1963, and recommends them to the legislative assembly. Toronto, November 27, 1961.

Hon. Mr. Robarts: Mr. Speaker, by way of explanation this is a procedure for tabling the estimates of these departments. This was done last year. It will now go on the order paper and can be called in the normal course of business.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I was going to ask the hon. Prime Minister (Mr. Robarts) whether this referred to supplementary estimates or estimates for the ensuing year, and I understand it refers to estimates for the ensuing year.

I am sure you will recall, Mr. Speaker, that last year there was considerable discussion about this very matter. At that time several hon. members of the Opposition—I think both Opposition parties—took the position that we would agree, if you will, to the consideration of certain estimates before the budget presentation on condition that this would not become a fixed procedure in subsequent years.

You will recall, Mr. Speaker, that last year we were feeling our way with respect to a fall session, and, understandably, certain things were undertaken and done by way of

experimentation. But I think the period of experimentation is over and I would suggest that it becomes obvious now that it is not a good thing to consider estimates of varying departments before the entire budget is before the House.

You will recall that last year we were consistently faced with this type of position; we had the estimates of a given department before us and observations were made in the light of those limited estimates with no knowledge of the overall picture. My recollection is that on several occasions we were reprimanded for not objecting, if you will, to the expenditures of certain sums of money in specific form when we criticized the budget in general at a later date.

Mr. Speaker, I must say for myself and for my party I certainly take objection to this procedure. I think it is faulty, I think it is going to create a terrible precedent. I think it violates common sense and I think that for the good order and conduct of this House it must be set aside. I recognize, as a result of the fact that fall sessions have now, I think, become an established thing, that it may be necessary to consider the advisability of speeding up the budget presentation in advance of its usual presentation in late February. Be that as it may, we are talking now about a procedure which is fundamentally illogical, that lacks common sense and that invariably is going to lead this House into certain errors. It is bound to, Mr. Speaker.

Now this is the observation I want to make at this juncture; and I make it in the most emphatic language I can because I think that it is erroneous, it is harmful to the good conduct of the House.

Hon. Mr. Robarts: Well, Mr. Speaker, as I remember the discussion on this point last year, it did not revolve around this particular procedure. As a matter of fact, the hon. leader of the Opposition (Mr. Wintermeyer) said last year that he understood and had no objection to it.

He states the debate last year upon this point revolved around the question of overlapping of debates. The situation simply is this: we have a fall session and I want to

deal with as many as possible of what might be termed routine matters, between now and the time we adjourn. If hon. members will notice, these departments to be dealt with are audit, insurance, Lieutenant-Governor, the Prime Minister and travel and publicity. In other words, they are not the large-spending departments of government, nor do they have—if I may put it this way—the importance that some of the larger departments have.

It appears to me as being in the interest of the efficiency of the House to introduce these now and to table them, so that they may be looked at and they will be introduced and dealt with in the ordinary course of business. Then, when we do get down to the budget and the major business of the government, these departments will be out of the way.

I do not think this caused any distress last year. I do not remember any particular discussion on the point after it was done. We have three weeks or so in which to get through as much of the business of the House as is possible and in order to be able to do that I wanted these items on the order paper.

Mr. Wintermeyer: Mr. Speaker, if I may speak again, I disagree with the hon. Prime Minister (Mr. Robarts) when he says that last year I consented. I consented on a certain condition and the condition was essential to the consent. The condition simply was the realization that we were undertaking fall sessions for the first time and necessarily we would have to do some experimenting.

But the apparent logic and common sense of what the hon. Prime Minister is now saying is pricked, Mr. Speaker, when I remind you that last year we started in this relatively unobjectionable fashion but it was not long before we were considering major departments and my recollection is that we considered many major departments before the budget was actually presented.

Mr. Speaker, that is exactly the concern I have today. Surely, it seems to meet with fairness, if you will, of accommodation, to say, in effect, we are only going to consider several departments which are non-controversial in nature and why not hear the representation with respect to the budget of those several departments. But it will not be long before we will consider more important departments and then we will be told that this was all discussed at the beginning of the session and approval granted.

I want to make it emphatically clear that my objection last year was founded in the realization that we had to give and take be-

cause we were undertaking a new experiment in this House. That is not the case now.

Secondly, hon. members recall that last year there was much discussion about the fact that Ottawa, and what Ottawa might or might not do, would be relevant to this budgetary presentation. That is not the case now and I simply appeal, Mr. Speaker, for orderliness in this respect. Sure we have the business of this House, but why not proceed with the business that this House was called to undertake, the Throne Speech? The Speech from the Throne, the replies, and Mr. Speaker, there will be a good deal of legislation that can be conducted. I appeal directly to the hon. Prime Minister for the sake of order and the avoidance of a bad precedent.

The hon. Prime Minister will know as a lawyer that it is the precedent that causes bad law. By giving in now, we are going to be precluded, I am confident, from taking objection later on or next year. This is not a good procedure, it cannot be sound in logic or common sense. And because it cannot, because it fails those tests, I suggest that we should defer this particular motion at this time.

Mr. A. J. Reaume (Essex North): Mr. Speaker, I want to say to that this whole thing is foreign.

Take, for instance . . . yes, foreign, to the operation of any governmental body at all. In the instance of a local town council or city, what happens is that they file the entire budget first so members can look it over. After that they discuss each of the departments.

Now it was clear, it was understood by every hon. member of the House, that one of the reasons that the government wanted to deal with this thing in a piecemeal fashion a year ago was because the hon. Prime Minister (Mr. Frost) at that time felt he was going to get something extraordinary from Ottawa. As a matter of fact what he wound up with is not even worth talking about. At that time it seemed to be a very important point. Instead of getting anything from Ottawa, what we wound up with actually was the establishment in this province of the sales tax.

I think the whole thing is wrong and I think we ought to go back to the old way of doing it.

Mr. D. C. MacDonald (York South): Mr. Speaker, I do not know to what extent this debate is going to continue and I must confess that I cannot get particularly excited about it.

I think we have a couple of problems here; we may have a problem inherent to the programme of last year, namely that there was an undue delay of the budget which resulted in us moving from departments not seriously affected by the budget to other bigger departments. This is where I think we got into the difficulty that the hon. leader of the Opposition (Mr. Wintermeyer) quite rightly underlines. But if we are going to have the budget, as I hope it will be, very early in the new year, then it seems to me that there is no serious violation of the procedures and the rights of the Legislature to deal with these smaller departments, these smaller estimates, in the fall session.

However, I would just like to add in this connection one other thing, Mr. Speaker. One of the things I believe in the mind of the hon. Prime Minister (Mr. Robarts) is that he wants to get something done in the fall session. Well, (a) I think we should proceed without delay to the Throne Debate and clear the thing off as much as possible, particularly if there is a hope that we are going to get the budget immediately upon the resumption of the House in the new year; and (b) I think it is time that this House should give some prior consideration to bills and resolutions on the order paper in the names of private hon. members instead of treating them in the wholly derogatory fashion that they normally have been treated in the past.

I am sorry the hon. member for Victoria (Mr. Frost) looks at me so reprimandingly—but what usually happened is that they came in between the hours of 10 and 12 on the last week of the session, with a few exceptions that prove the general rule. It seems to me that in the orderly consideration of the business of the House, we could have some of this in the fall session and have some of them voted on instead of dying on the order paper.

I must confess, to come back again, that if the hon. Prime Minister is going to bring the budget in, or see that the budget is brought in, early in the new year so that we do not move from the small departments into the big departments, then I cannot get excited about considering the estimates of two or three of the smaller departments in the fall.

Mr. Wintermeyer: Well, Mr. Speaker, I think that I can bring this debate to some degree of conclusion. The simple fact is, Mr. Speaker, and you will know better than I, that the Honourable the Lieutenant-

Governor has now presented these estimates and there is not a thing we can do if we want to. But I take objection in principle.

Mr. Speaker: I fully realize what the hon. member has said, and the hon. member has spoken three times on this subject. I was about to rise and say that this matter would be better dealt with when the motion is before the House, "that the House move into committee of supply."

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the Sudbury High School District Board praying that an Act may pass authorizing the execution of an agreement with the Neelon-Garson and Falconbridge District High School Board relative to the operation and maintenance of schools outside the jurisdiction of the Sudbury Board; and for related purposes.

Of the corporation of the city of Hamilton praying that an Act may pass respecting charges for laying and repairing water service pipes from the main pipe to owners' premises.

Mr. Speaker: Presenting reports by committees.

Motions.

Hon. J. N. Allan (Provincial Treasurer) moves that this House will tomorrow resolve itself into the committee of supply.

Mr. Wintermeyer: Mr. Speaker, of course this is the motion that you made reference to just a few moments ago and I realize that I have had the opportunity now to speak on several different occasions.

I simply re-emphasize, Mr. Speaker, what I have said here before, that I think this procedure is wrong in principle and I think that there is ample opportunity to consider other business of the House between now and the time that we adjourn in the middle of December or whenever it be. I am confident that there is on the order paper now or will be within a matter of a very few days, sufficient business to occupy our full attention and therefore, Mr. Speaker, I simply reiterate and underscore what I have said and I hope that other hon. members will have the opportunity now to speak to this motion.

Mr. R. C. Edwards (Wentworth): I should like to ask a question of either the hon.

Prime Minister (Mr. Robarts) or the hon. Provincial Treasurer (Mr. Allan) with respect to this matter.

My question is, can either of these two hon. Ministers advise this House whether or not there is to be any change in the allotment of funds which will be expended in the forthcoming year? It seems to me that if there is to be a change either upward or downward in the allocation of funds that it very well could have an effect on the budgets which we are going to be asked to approve in the estimates which were suggested by the hon. Prime Minister.

It seems to me, sir, that it is absurd to consider, no matter how small, any of these estimates without some overall knowledge of the amount of money which is going to be expended by this government in the forthcoming year. I am sure that there is not any group of directors or shareholders which would approve expenditures of any department of any reasonable business without some realization of the overall money which is available to be expended. I would suggest to you, sir, that this thing is totally absurd, that it is almost an insult to the hon. members of the Opposition to be asked to again approve these various estimates in piecemeal without any idea of what the overall program is to be.

It might very well be that there might be a cut-back, perhaps this government might even decide to repeal its sales tax, I do not know. If this were to happen, Mr. Speaker, how in the name of reason can we go ahead and approve the individual estimates without any idea whatsoever of the overall program? I think it is ridiculous, I think it is wrong and I am very much opposed to this suggestion at this time.

Hon. Mr. Robarts: Mr. Speaker, there have been several points raised in this debate—both in the part of it that is in order and the part that was out of order—but I can assure the hon. members of the House that the budget will be brought in at the earliest possible moment. It would be my wish that it be in just as early as we can conceivably get it ready when we meet after the Christmas and New Year's recess.

Secondly, I can only reiterate that the estimates being tabled here this afternoon are for departments that will not have a large effect on the overall financial picture of the government. That is why we have chosen these departments rather than the larger departments, because while theoretically the

last comment might have some validity, practically the estimates of these departments will have very little, if any, effect on the overall financial picture of the government.

I will attempt to have a full picture before the House before the estimates of the major departments are brought in, because I understand exactly what the hon. members are speaking about and I will be sure they have that information before we discuss the estimates of the departments that are really going to have a large effect on the overall financial picture.

Mr. R. M. Whicher (Bruce): Will the hon. Prime Minister (Mr. Robarts) give us his word that he will not call any other departments, other than the ones that have been mentioned today? Because from our experience of last year it went from three to four and then kept on going. I think perhaps we could accept them at face value if he said just these four departments were going to be called, but—

Mr. MacDonald: The hon. member is preaching what the hon. leader of the Opposition (Mr. Wintermeyer) has just said.

Mr. Whicher: No, but if he gives his word that he will not call any more, it might help us out a bit.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, I would like to ask a question. Why is it necessary to proceed under this pattern when for years and years we were able to proceed under the old system? I would like to know the reason.

Motion agreed to.

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, I move that the House will tomorrow resolve itself into committee on ways and means.

Mr. Wintermeyer: Mr. Speaker, I quite realize what is happening, that we are now on another motion. The first motion, I am sure, was left in abeyance to the extent that there were several here who wished to speak on it. I am not going to complain of that. But, Mr. Speaker, I am going to advise you right now that we feel sufficiently strongly about this to demonstrate our objection to it, and the only way we can do so is to vote against that, and we are doing that formally right now.

Mr. MacDonald: Much ado about nothing.

Mr. Speaker: All those in favour of the motion will please say "aye".

All those opposed will please say "nay".

I declare the "ayes" and have it.

Call in the members.

The motion was carried on the following division:

YEAS	NAYS
Allan (Haldimand-Norfolk)	Belanger
Allen (Middlesex South)	Bukator
Auld	Chapple
Beckett	Edwards
Boyer	(Wentworth)
Brown	Gordon
Bryden	Gould
Carruthers	Innes
Cass	Manley
Cathcart	Newman
Cecile	Oliver
Connell	Reaume
Cowling	Singer
Daley	Spence
Davison	Thompson
Dymond	Trotter
Edwards	Troy
(Perth)	Whicher
Evans	Wintermeyer
Frost	Worton
Fullerton	-19.
Gisborn	
Goodfellow	
Grossman	
Guindon	
Hall	
Hamilton	
Hanna	
Haskett	
Hoffman	
Janes	
Johnston	
(Carleton)	
Lavergne	
Lawrence	
Lewis	
Lyons	
Macaulay	
MacDonald	
Mackenzie	
MacNaughton	
Morningstar	
McNeil	
Nickle	
Noden	
Parry	
Price	
Robarts	
Rollins	

YEAS

Root
Rowntree
Sandercock
Simonett
Spooner
Stewart
Sutton
Thomas
Wardrope
Warrender
Whitney
Yaremko
-59.

Mr. Speaker: I declare the motion carried.

Motions.

Introduction of bills.

THE FARM PRODUCTS MARKETING ACT

Mr. D. C. MacDonald (York South) moves first reading of bill intituled, An Act to Amend the Farm Products Marketing Act.

Motion agreed to; first reading of the bill.

Hon. M. B. Dymond (Minister of Health): **Mr. Speaker,** before the orders of the day I would like to draw your attention and through you the attention of the hon. members of this House, to a statement which appears in paragraph 178, page 81, of the "Report of the committee appointed to inquire into and report upon the fluoridation of municipal water supplies". This reads as follows:

Although one witness, a qualified dentist and physician, stated that, 'We don't need to fill deciduous teeth', this seems to us to be contrary to good dental practice since a 'clean mouth' implies cared-for teeth.

The witness, who claims to have good reason to believe he is the one referred to in this paragraph, approached me after the close of the last session of the Legislature, asking that this be corrected publicly in such manner as to show that this statement in the report did not even convey the meaning of the statement he gave in evidence. His evidence, which is to be found on page 2213, lines 4, 5 and 6 of the transcribed evidence, shows very clearly that what he actually said differs greatly from the statement reported. The transcript of evidence reads as follows:

I would like to go on record as saying that it is not necessary to fill with fillings of durable nature deciduous teeth.

The witness is Dr. Samuel W. Leslie of Toronto—physician, surgeon and dental surgeon. I am quite sure this hon. House would have me bring this to public attention and express our regret that the report of Dr. Leslie's statement did not convey the same information he gave in his testimony.

At the time that this report was tabled, Dr. Leslie was in Europe, and as soon as he came back and read the report he contacted my office. I spoke to the chairman of the committee, the late Mr. Justice Morden, who expressed very great regret on his own behalf that the meaning of the doctor's testimony was not fully brought out in the report. Unfortunately, Mr. Justice Morden died before he contacted Dr. Leslie, as was his intention.

Dr. Leslie is very much concerned about this because this reported testimony of his has been very much misunderstood by his professional colleagues.

Mr. L. Troy (Nipissing): Mr. Speaker, I have a question to direct to the hon. Minister of Agriculture (Mr. Stewart), copies of which have already been forwarded to you and to him. Incidence of loss of livestock from rabies still prevails in Nipissing.

Press reports indicate that 32 residents of the eastern district of the riding—that is the area of Eau Claire—who have had contacts with affected animals, have been given injections of serum.

As the hon. Minister has had, no doubt, representations from other districts, particularly Parry Sound, will the hon. Minister urge the Cabinet and council to restore to farmers who have lost stock through rabies since September 28, 1961, the compensation which was revoked by order-in-council as of that date?

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, in answer to the question of the hon. member, for the advance notice of which I thank him, our department is examining the loss sustained by livestock producers in the province of Ontario, and when that information is compiled a matter of compensation for livestock lost to date through rabies will be presented to the Cabinet council for their decision.

Mr. Troy: May I ask a supplementary question? Does the hon. Minister not know that the federal government has agreed that there will be no cut-off date whatever for compensation as far as they are concerned? Apparently they consider that rabies, like

death and taxes, is with us and will be with us *ad infinitum*.

Hon. Mr. Stewart: Mr. Speaker, we are aware that the federal government has not revoked the order-in-council under which compensation for rabies was paid. However, I think it is only fair to say that the action which was taken by The Department of Agriculture here in the province of Ontario was based on the fact that the experience in previous outbreaks of rabies throughout the province in years gone by has shown that rabies has not been something that carried on for very long. There has been a wave of it, it has come in cycles and then it has gone. This was what was anticipated to be the case at this time.

I think we all realize the fact that the wildlife population of this province has increased greatly in the matter of carriers of rabies. I am thinking about foxes, skunks and raccoons that have been known to be rabies carriers. This is true in southwestern Ontario particularly; we hardly see a fox any more. Before the outbreak of rabies there was quite a considerable number of foxes. Rabies is something that is apparently starting again in the north.

The hon. member for Nipissing (Mr. Troy) has brought this to my attention privately. We have discussed it and I suggested to him then that we are looking at this thing from the standpoint that perhaps with the increased number of wildlife we have in the province that we are going to have to look at this matter on somewhat of a permanent basis.

I can assure the hon. member my sympathy lies entirely with the farmers who have sustained loss through rabies because it is one of those things the farmer really cannot protect himself against. I would feel as the federal government has not counteracted their order-in-council dealing with this legislation that we will have to look at it in somewhat the same light. Until the facts are known this is the stand that we are taking.

Mr. Troy: This is directed to the hon. Minister of Economics and Development (Mr. Macaulay).

Since the people of Ontario as well as the hon. members of this Legislature are anxious to ascertain if the Ontario Northland Railway terminal at Moosonee is feasible as a sea port, when will the hon. Minister release to this House the report of the hydrographic survey of the harbour at Moosonee which was prepared by the federal Department of

Mines and Technical Surveys several months ago?

Hon. R. W. Macaulay (Minister of Economics and Development): I would say to the hon. member who asked the question—I thank him for giving me notice—that when I did receive notice of his question this morning I prepared a short memorandum in connection with this and I thought he might be interested in it.

The purpose of the investigation to which the hon. member referred—and there is a report, which I have here—the purpose of the investigation was to provide data for a study of the feasibility of constructing a harbour near Moosonee with deep-sea shipping facilities.

The study was requested by the hon. Minister of Planning and Development in 1959, of the federal government on the recommendation of the northern economic development committee. The federal Department of Public Works and not The Department of Mines as the hon. member has referred to it, set up the study methods and co-ordinated the work of the other federal departments participating. The following field surveys were conducted in 1959 and 1960—hydrographic, topographic, hydrometric and soil. The report was submitted to the hon. Minister of Commerce and Development on August 28, by the federal hon. Minister of Public Works.

Dredging and dyking requirements for two harbour sites were proposed, one at Moosonee and one six miles downstream at Sandy Island. The report states that the site at Sandy Island would be less costly to construct. Ninety-one thousand, two hundred dollars was spent of which the province of Ontario contributed \$50,000.

The federal government agreed to complete at their own expense this year additional studies to confirm the existence of a new channel four to five feet deeper than the one now being used. This hydrographic study is expected to cost between \$10,000 and \$15,000. I spoke to the deputy Minister of Mines in Ottawa this morning, who advised me that this report has not yet been handed in to The Department of Public Works in Ottawa and until it has been—and it is now being worked on—there can be really no final report from the federal Department of Public Works in connection with it, because the Moose river has been found to be breaking through a new channel which, we believe, will be four to five feet deeper than its old

channel, which will save a great deal of dredging.

In relation to the report to which the hon. member directed the House's attention: there are only ten copies of the report and of the books and charts that go with it, which we have received from The Department of Public Works. Copies were sent to the hon. Prime Minister's office, the Ontario Northland Railway, and The Department of Commerce and Development. Actually this report was not requested by this Legislature, nor was it initiated at its request and, therefore, this is not a report which would be tabled in this House. On the other hand, the report is available in my office and if the hon. member for Nipissing (Mr. Troy), or any of the other hon. members of the House, would like to have a look at it I would be more than happy to make it available to them.

That is the state up to the moment. The next point is, what is now required? Following from this and the completion of the report which I hope to get from Ottawa within a short time—although they were unable to say exactly when it would be available—the next thing that will follow is an economic feasibility study of establishing a deep-sea harbour facility in the Moosonee area. Also, as an alternative or in addition to it, an approximate cost of establishing limited harbour facilities at one of two sites recommended in this report and on which there will be further data coming forward in the second report. This feasibility study, I should think, would take somewhere in the neighbourhood of three months to prepare and now that this report is available and as soon as I have the other report, I anticipate presenting it to the council for its decision as to whether a feasibility study would proceed and I should think that this likely would meet with its support.

Hon. A. Grossman (Minister without Portfolio) begs leave to present the annual report of the Liquor Control Board of Ontario for the year ending March 31, 1961.

Mr. MacDonald: Mr. Speaker, before the orders of the day I wonder if I might ask the hon. Prime Minister (Mr. Robarts) a question with regard to the business of the House. It is in reference to two tag ends of the preliminary debate on the Morton report.

One, there was considerable discussion as to the availability of the report and I must say that since the debate, the wide range of interest that I have found to be the case has raised in my mind whether or not it would not be wise to have this report printed. This

House has had reports of much less importance printed in the past and I would think that this is the kind of thing that should be available in sufficient quantities for everybody who wants it.

However, secondly, and more important to the business of the House, Mr. Speaker, is that we decide—and the hon. Prime Minister himself raised the question—whether or not this report will be put on the order paper to be dealt with in a specific debate, or whether it is going to be dealt with in bits and pieces throughout the Throne Speech debate. I wonder if the hon. Prime Minister has come to a conclusion as to which procedure he proposes to follow.

Hon. Mr. Robarts: Mr. Speaker, in the first instance, the report, I believe, has been printed. I asked for enough copies to be made available for all the hon. members of the House. There may not have been—I know that at the time we discussed this, I believe that was on Thursday last, there were a relatively small number of copies of the report when you take into consideration there are 98 required here. But I asked for enough to be printed and if there is any demand for them we will produce them.

Secondly, I can only say what I said last Thursday, that this report really should only be tabled in the House for information as it is not a product of the House but is a product of a department of government. On the other hand, I did say that I felt there would be places where the implications of it can be discussed in legislation which will be before the House.

Now, if it proves that this is not a sufficient vehicle or form to have a free debate on the contents of the report in the House, then I would be happy to consider by motion of the whole House, I suppose, putting it on the order paper as an item of business and having it discussed, if this appears to be necessary. But it is my own opinion at this stage that it will not be necessary. If it is, I will arrange to do it.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day I would like the hon. Prime Minister (Mr. Robarts) to take something under advisement.

I had prepared earlier today a question that I intended to ask of the hon. Attorney-General (Mr. Roberts) and I have learned now that he is absent and will be absent for some time. Therefore I am going to direct the question to the hon. Prime Minister in the knowledge before I ask it that—

Hon. Mr. Roberts: The hon. Attorney-General will be here tomorrow.

Mr. Wintermeyer: If the hon. Prime Minister is not in a position to answer the question I would ask him to take it under advisement.

Mr. Speaker: I would like to point out that the hon. member was advised that the hon. Attorney-General (Mr. Roberts) would be in the House tomorrow. He is unavoidably away today and the usual procedure has been to hold such questions until the hon. Minister is actually in the House. Now perhaps we can follow with this procedure which has been established.

Mr. Wintermeyer: Well, Mr. Speaker, this matter is of real urgency at this particular time. I would appeal directly to the hon. Prime Minister (Mr. Robarts) simply to take this under advisement. That is all I am asking, Mr. Speaker.

Mr. Speaker: The relative urgency of the question is the decision of the Speaker, and I do not like to cause a precedent by getting away from procedure which we have fairly well established.

Mr. Wintermeyer: Mr. Speaker, on this occasion I am going to bow to your will, but I assure, Mr. Speaker, that there are occasions when I think an hon. member, any hon. member, has the right to draw a matter to public attention. The hon. Attorney-General (Mr. Roberts) is not here today and I can see no objection whatsoever to the procedure I suggested. However, in view of your instruction and direction I will concur in your instruction on this occasion.

Mr. Speaker: Orders of the day.

Clerk of the House: First order, consideration of the speech of the Honourable the Lieutenant-Governor at the opening of the session.

Applause.

SPEECH FROM THE THRONE

Mr. A. F. Lawrence (St. George): Mr. Speaker, I move, seconded by Mr. Hamilton (Renfrew North), that a humble address be presented to the Honourable the Lieutenant-Governor as follows:

To the Honourable J. Keiller Mackay, D.S.O., V.D., Q.C., D.C.L., LL.D., Lieutenant-Governor of the Province of Ontario.

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly of the Province of Ontario, now assembled, beg leave to thank Your Honour for the gracious Speech Your Honour has addressed to us.

Mr. Speaker, I am sure that the first thing that everyone does when they are honoured by being asked to move the traditional motion I have just made, is to reach for the volumes containing the speeches given on similar occasions in previous years. I am no exception. I have closely studied the formalized oratory and tradition-bound phrases used from time immemorial by the movers of the address in reply to the Speech from the Throne. That I do not intend to copy my predecessors will not, I hope, be taken as any reflection on the worth of their words, but instead as an admission of my own inabilities.

I have never in my life been able to make a formal speech, repeating verbatim, phrases which already exist in logical form in a pre-released text and I am not going to start the practice today. This, therefore, is an apology in advance to you, Mr. Speaker, for a rambling effort, and a warning to any members of the press, who may hope to follow what has been prepared for them.

Of course the main duty of everyone in my position is to congratulate everyone else on the high position they have achieved, either since the last session of the House, or seemingly in the last 40 years of their life. I do not want to show disrespect for tradition, but my theme today will dwell on the changes and challenges which now confront us.

With a brand new administration guiding the affairs of the province, if I followed the usual format and individually dwelt, for at least 10 minutes, on the accomplishments, real or imagined, of every hon. member whose position or responsibility has altered because of the overall changes, we would be here well into a night session. Besides, I want to emphasize that because of these changes and challenges my feeling is that matters will have to be handled differently now, and how better can I emphasize this than by attempting to make a different-from-usual speech on this occasion?

Therefore, sir, I hope it will be understood by all, if I merely congratulate the new hon. Ministers of Labour (Mr. Warrender), Agriculture (Mr. Stewart), Municipal Affairs (Mr. Cass), Highways (Mr. Goodfellow), Mines (Mr. Wardrope), and Economics and Development (Mr. Macaulay) on their

assumption or change of portfolios. I hope I have not missed anybody there.

I am more than pleased on the elevation to the cabinet, of the new hon. Minister of Reform Institutions (Mr. Haskett), and of my good friend, the hon. member for Huron (Mr. MacNaughton).

We are all sorry to see good friends depart from the inner circle, but when we note the cessation of active departmental duties of the hon. member for Kingston (Mr. Nickle) and the hon. member for Lincoln (Mr. Daley), we want them to know that we are comforted in the realization that their long lifetime of sacrifice and public service promises to continue, although perhaps in less onerous positions.

The hon. member for Wellington-Dufferin (Mr. Root), whom I have known for years before he entered this House, takes on extremely important duties as a member of the Water Resources Commission, a body second in importance in my opinion only to Ontario Hydro. We all admire the appointment as a solidly good one.

Every year, we gather in this historic chamber, 98 of us who have been chosen to represent our people, and every year our ranks are thinned by the passing of some of our colleagues. It is a sobering thought when we realize that during the life of the administration headed by the hon. member for Victoria (Mr. Frost), it has been necessary to hold 24 by-elections—with five others now pending—nearly all by reason of the deaths of sitting hon. members. No one should claim that the life of an Ontario politician is an easy one.

With the sudden death of the hon. Minister of Mines (Mr. Maloney), this House lost a friend who was a favourite of all. Jim Maloney had eloquence, Irish wit and a booming voice. I had always thought, as that crashing voice boomed out across this chamber, hurling verbal grapeshot against the ears of everyone opposite, that one of the advantages of being a back-bencher was that one sat behind, rather than in front of, Jim Maloney. He is already missed.

Harry Nixon's career established a record—42 years as the representative of the riding of Brant without a defeat even though he represented various political labels in this House. This record, awarded by the people who knew him best and trusted him, speaks more eloquently of the life, times, and character of this man than can any words of mine. He leaves behind an object lesson from which we can all

learn, and something for which we can all strive.

Albert Wren is also with us no more. Here was a man of strong views who was a caustic critic whenever and wherever he deemed criticism to be deserved, and he did not confine it to his opponents. On occasion he was the stormy petrel of his own party when his sense of fair play and democracy was outraged. Mr. Speaker, we need more of that type.

My colleagues of all parties will join me, I know, in extending our condolences to the families and survivors of these three fine men. Their vacant places are a reminder of the fleeting nature of our existence and the need to give our best in the service of this province while there is yet time.

In offering to you, Mr. Speaker, my congratulations that you are again presiding over our deliberations, I would like to appeal to the other hon. members, and I include myself in this admonition, to make your official life here easier than we have done in the past. We have had scenes of rowdiness and rudeness in this chamber which have not been conducive to sensible deliberation of our province's affairs, nor have they added to the good reputation of any of us with those citizens who have taken the time to watch us in action.

In extending to you, Mr. Speaker, the greetings and good wishes from all my colleagues in the House, it is in the sure knowledge that your firmness and fairness and unfailing courtesy will quench the urgings in some of us to make more noise than sense, and that under your control and guidance, we will once more do credit to the traditions and rules of this House and the purposes for which we are here.

We are all also pleased and gratified that the jovial hon. member for Peterborough (Mr. Brown) was chosen to be the deputy Speaker and Chairman of the committee of the whole House.

As my motion involves our Sovereign's representative, I would be remiss if I neglected to mention this province's affection for our Royal family.

The time-worn and tradition-laden phrase "Her Majesty's most dutiful and loyal subjects" is always used in these matters. I find those words totally inadequate as they do not express, to me at any rate, the warm, affectionate, and almost maternal feeling our people have when they see or speak about our Queen, and the Royal family. I hope that no further expression of loyalty and warm pride in our Queen and her family

would be needed than our oft-repeated prayer of "God Save Our Queen."

In much the same spirit, I change now to speak of another ruler who is also regarded with affection, but perhaps not the same degree of loyalty is evident, at least, not from the hon. members opposite.

When the hon. member for Victoria (Mr. Frost)—I am still not used to that phrase—announced that he was retiring from the premiership of this province, the news was received with a sense of shock by the people of Ontario.

This man has led them, and governed them—as their undoubted choice, and with their complete trust—with astuteness, with moderation, and with unselfish sacrifice, for 12½ years.

Twelve and a half years ago, Mr. Speaker, I was barely old enough to vote so that I can hardly conceive that this man, so sure, so steady, so right, was shouldering at that time—in the same sure, steadfast, and rightful way—the awesome and physically destroying responsibilities he was still shouldering just a few weeks ago.

It has been said that a man's life can sometimes be judged by the manner in which he takes leave of it. I don't think we can yet appreciate the toil and thought which must have gone into the transition to a new administration so that an orderly take-over by the new government would cause little disruption and no inconvenience to the public.

But aside from that aspect, contemplate with me the picture of a man, still perhaps at the height of his physical, mental, and political power, voluntarily and with no thought of higher position, stepping down from the limelight and the work which he enjoys and in which he so obviously thrives. It is an almost unique picture, Mr. Speaker, and could happen only with such a man, and only in a democracy, and even then, rarely.

We can only conclude that in taking this irrevocable and historic step, this man is showing that skill and judgment proved over the years, with the overriding and characteristic belief that he is acting in the best interests of the people of his loved province.

In the uncertain years that lie ahead I join, I hope, with every other hon. member of this House of every political affiliation, in hoping that his abilities and experience will not be lost to further public service.

On October 23-24-25 last, it was my pleasure and privilege—and an education in itself—to participate in the greatest political convention ever held in Ontario, when a new leader

for the Ontario Progressive Conservative Party was democratically chosen by representatives of all segments of our economic life and all geographic areas of our province. There is always a real rivalry for the top post in a healthy and growing concern, and this was no exception. I hope I never see the day when there is an acclamation for the leader of this party.

Seven candidates, all of them members of this honourable House, offered their services before the 7,000 persons who crowded into Varsity arena.

I do not need to relate the details which are fresh in the minds of all of us—although fresher to some of us, perhaps, than others. I hope that it is sufficient for me only to say once more, that I offer my sincere congratulations to the hon. member for London North (Mr. Robarts), who, on the eighth day of November last, became the Prime Minister of Ontario.

My belief is, that this relatively young man brings to this high office the qualities of mind and heart and soul and body which will establish him as one of the great Prime Ministers of this province. He is young enough to have the body, old enough to have the experience, capable enough to have the wisdom, and public spirited enough to know the sacrifices he, and his family, must make.

The fact that he comes from outside Toronto probably helps a lot too. The citizens of Ontario will be well served with the Robarts administration.

They will have to be. The changes form a mighty challenge to the future, and demand nothing else but our energetic best, no matter how insignificant our role in that future may be.

I have been speaking of change—change in this House, change in this government. These changes are but froth in the fermenting growth of the province, the nation, and the world around us.

This 1961 has been a census year in Canada. The figures will show what we all know; that there has been a great shift in population between rural regions and the urban communities. It will show the changed patterns of Ontario's life. The passing of time has changed Ontario, like the metamorphosis of an insect, into a great industrial community. We can yet determine, by our actions, whether we will turn into a colourful, active butterfly, or into a grey, grubby moth.

The 1961 census analysis has not yet been completed, but so dramatic has been the growth of Ontario since world war II that the

special census of 1956 gave us the signposts of our development. Back in 1911, the distribution of Ontario's population was pretty well evenly balanced: about 1,200,000 rural, with about 1,300,000 urban. "Urban" in this context means everyone living in an organized city, town, or village, and "rural" means everyone else.

The peak of rural population came in 1941, with a rural census figure of about 1.5 millions. The urban figure had grown to 2½ millions.

By 1956 the rural population had slowly declined to 1½ millions, while the urban figure had exploded to over 4 millions.

We can rely too heavily on statistics, but there can be no doubt that figures such as these, soon to be supported in the 1961 census returns, reflect the dynamic change that cuts across the entire range of needs and demands, and challenges public policy as it stems from this parliament, the Legislature of Ontario.

The fact we must realize is that the Ontario individual of the second half of the 20th century will be, in general, a city dweller. whether we like it or not, this must force a change in politics, a change in social concepts, and a change in virtually every facet of government.

I personally welcome this trend and also our population increase. I feel it is our very real hope for the future in every way. Even though Canada is growing by about 400,000 persons every year I feel that this is one country in the world that could stand a real explosion of population. We should aim, as a matter of national policy, for a rate double that of the present growth, both by immigration and by qualifying for family allowances.

What a difference it would make right now, what a strong sane force we could be in world affairs, what a built-in market we would have, and what a more balanced nation we would be, if there were about half a billion of us.

There is no doubt in my mind that we some day will reach our goal, but the problem and challenges are already with us. Even in this stage of our development we have not met the practical problems of the clogging of our atmosphere with foul gases, the pollution of our streams with the sewage and offal from our factories and homes and streets, and the destruction of nature's greenery with the unimaginative substitution of asphalt parking lots.

We have not coped with these problems today: what will it be like in 20 years when Toronto is double the population it is now?

The challenge before the Legislature, now, not a few years from now, is to make plans for the complete remaking of our cities to establish urban living in terms of human dignity and good taste. Unfortunately, it is apparent that this requires government action to set the standards.

Our immediate problems also include a realization of these immense changes, and the challenge demands of us to put purpose, for example, in the lives of some of our older people who have retired into these massive concrete apartment houses 18 stories high, but who, with people all around them, really live in communal isolation.

They are fed, they are housed, they are clothed, yes. But they are dead, because our crowded busy cities roar away 18 floors beneath them.

The challenges confronting our handling of the younger people in the cities are even more pressing, because our modern day pace is destroying the souls and tastes of those who are our only potential. A system of government and representation and legislation geared to a far-off and never-to-return system of an agricultural province does not and will not fit today's needs.

Perhaps as both a lawyer and a politician I am overly aware of the challenges facing us because of our antiquated constitution. We forever pay tribute to the fathers of confederation, and, of course, because everyone does it, it must be right. But how could Sir John A. have foreseen the emergence of the welfare state, the unbelievable costs of defence, the swollen expenditures of education, and indeed the whole expanded role which the state plays today in the economy of the nation, the life of its citizens, and—more unbelievable to that man and the others with him in those days—even the use of its lands? We pay tribute to our constitution, forgetting that its obscurities and omissions have made our domestic politics into a continuing dog-fight that we call dominion-provincial relations, and too often have resulted in "passing the buck" so that a frustrated citizenry sees inaction replacing a logical apportionment of necessary responsibilities. It took us 80 years to make up our minds that we could interpret our own constitution, and only now, laboriously and slowly, are we evolving a plan for amending it.

Mr. Speaker, in my humble opinion, we are taking too long to do it. The time is over-ripe for a constitutional convention to completely revise the jurisdictions of our three, not just two, levels of government, and to more equitably divide the tax fields so that the

government providing the service can itself pay for it.

A further challenge to us is the Commonwealth, a world system we helped to invent, and which we have neglected for a quarter of a century. It is now a multi-racial, multi-lingual group of countries in every stage of development and with almost every type of government. Social and political thinking in the majority of them now differ widely from our own. Any ideal we may have that parliamentary democracy, as we try to practise it, will be universal throughout the Commonwealth should unfortunately be discarded. They almost all are in need of our aid and assistance and whether we can afford it or not, to be a member in good standing and to make the Commonwealth mean something, will mean that we have to enlarge our help. This should not be the concern of the federal government alone. As well as being the right thing to do, I feel it would also be good business.

I do not want to be counted among those who feel that Britain's entry into the European common market will be an economic disaster for Canada. Firstly, we should recognize that to survive, Britain has to enter. This appears so inevitable to me that to argue against it is wasting both breath and time.

Certainly this entry will cause changes, and these challenges will hit us here in Ontario more than in any other area of Canada, I believe, because it could hit our secondary manufacturing, and Ontario has about 50 per cent of Canada's manufacturing total. But Britain cannot possibly enter at least until January, 1963. We have over a year to plan and change and take up the challenge. Some of the bleatings and breast-poundings of our manufacturers for years have been that we could not produce for Europe because there was no single market large enough, and this, coupled with Canada's own small domestic market forbade our producing and competing with American goods, or with the highly subsidized European goods. Already, in the last 12 months, Canada has increased her trade with the Inner Six group by about 41 per cent. Surely Britain's entry could mean an expansion of a single market for our secondary manufacturers' products, not a diminished demand.

We must always bear in mind, of course, that in most of the European market we will be competing with industries that are highly subsidized, especially by certain tax incentive plans that are unknown here. It may be that, for a few years at least, we will have to fight

fire with fire. But as a nation we can and must do it, and if Ottawa fails to see the light, or takes a pessimistic attitude, this Legislature must never forget that we, too, levy tax on corporations, both directly and indirectly, and bold, newer plans may be called for.

It is an anomaly to me that while economic conditions improve, as they have been over the past year in this province, labour conditions have been deteriorating.

We saw a particularly violent strike last spring in the construction industry, now being probed by a Royal commission, which we all trust will come up with some solutions for the unique problems of that industry.

At the moment as well, the strike against the C.P.R. and the Royal York hotel is getting more bitter with every passing day. I wish to go on record, Mr. Speaker, as being in sympathy with the position of the strikers, particularly in regard to the job security issue, which I understand, was and is even more so now, the main issue in the dispute.

I believe that the hotel management attitude is almost like reading a history of the typical management attitude of 30 or 40 years ago, and I am sorry to see this type of conduct and attitude in what I thought was an enlightened day.

I must say however, that the tactics of the union executive have been nothing short of idiotic. I simply do not understand why they called a strike against one of our most entrenched and largest corporations, at a time of the year when unemployment is always at its greatest and consequently new help easy to obtain for a majority of jobs which are unskilled and do not need too much in the way of training. Certainly the strike has been almost broken, but that unfortunate result would not have happened, in my opinion, if the union had waited, say, until the third or fourth week of August to walk out.

In any event, they are out, and my purpose in even mentioning the strike here and now is to call "a pox on both their houses".

I represent part of the city of Toronto, and it is the people of the whole of the metro area who are now being hurt by the bull-headed attitude of both sides.

The convention business here in Toronto is extremely big business. It reaches into every aspect of the service industries and affects indirectly, thousands of incomes in this area and across this province. Since the Royal York strike began last spring, I am

told that at least 18 large sized conventions have held their meetings elsewhere than that hotel. And these are only groups who already were booked into the place. There is no reliable estimate of business that has been driven either out of the hotel itself or out of Toronto and the province and the country which was not previously booked into the Royal York, or into Toronto as a whole.

But that has to do only with the past. The future is more worrisome, as some of these really large conventions make their plans for five and six years hence. If this strike continues very much longer, the reputation will be made and we will have a hard time ever living it down, especially in regard to the very large, and very lucrative, labour and service club conventions.

The Royal York management should realize that that hotel is the mainstay of the convention business for this whole province. Very few corporations have ever been as publicly assisted by Canada's and Ontario's taxpayers as has the C.P.R. and as a matter of fact, thanks to the discriminatory generosity of this Legislature, the people of Toronto, still assist that particular hotel through tax concessions unavailable to any other Toronto hotel.

Perhaps merely waiting for both sides voluntarily to get together is unrealistic. Perhaps, although regrettably, because the public is now being hurt more than the participants, compulsion is necessary.

These are only some of the changes and the resulting challenges in this rapidly changing province.

I feel that matters from here on in demand different methods, different solutions. For these reasons I am particularly glad to welcome a new administration under a man for whom I have every regard and respect.

St. George riding is honoured that its representative has been given this position and this place to make its voice and his opinions heard.

Applause.

Mr. M. Hamilton (Renfrew North): I appreciate greatly the opportunity of seconding the motion of the hon. member for Toronto St. George (Mr. Lawrence) for the adoption of the address graciously presented by His Honour the Lieutenant-Governor of Ontario. It is an honour to me personally and to the people of Renfrew North whom I have the privilege to represent in this House.

Firstly, Mr. Speaker, may I express to you my thanks for the courtesy you have extended to my colleagues and me during the

last session of this assembly. You were always able to draw from your long experience in this House and from the example of your distinguished predecessors to enable you to guide our deliberations with firmness and efficiency.

In these dangerous and trying times which afflict the troubled world, the members of our democratic parliament espouse many causes, they advance many remedies.

In many instances the hon. members opposed to the government of the day are not averse to advancing their views with an energy which creates an atmosphere in which your impartial rulings are necessary to bring decorum to this honourable body. You will, I know, continue to guide our deliberations with firmness and impartiality.

I should like to associate myself with the remarks of the hon. member for Toronto St. George in expressing my regrets at the passing of a number of our colleagues.

During the last session of this House we were saddened by the loss of Dr. William Dunlop and William Collings. Both were members who had served our province with distinction in important posts. They have left their mark in our history.

In recent weeks the uncertainties of life have been brought home to me through the sudden death of my good friend and neighbour James A. Maloney. As you know, the late Minister of Mines represented the riding of Renfrew South, hence he was not only a colleague of this House but an immediate neighbour of mine. On many occasions we co-operated in matters affecting the people of both North and South Renfrew. I shall miss him greatly indeed.

In his profession no one was better known or more highly regarded throughout eastern Ontario than was James Maloney. He was the most able counsellor with a profound knowledge of the law and of court procedure. As you can judge, his gifts of oratory were not lost on the many juries to whom he appealed in the course of his legal career.

As has been mentioned by the hon. member for Toronto St. George, he brought to his House his Irish wit, his skill in debate, and a great deal of courage. As an administrator of an important department he saw Ontario's mineral production pass the billion dollar mark per year. In this field and in the field of labour relations his work was outstanding and it indeed typifies his great ability. Again I say his genial presence will be greatly missed.

In my brief period of service in this

assembly I came to know and respect the hon. member for Brant, the late Harry Nixon. Our late friend became more than a member of this assembly, he was a fixture, yes, an institution. He entered this assembly in 1919 as has been said earlier, before some of us were born. The people of his riding elected him in one contest after another so that altogether he served in this House for 42 years as a member of the Legislature. He served in opposition as a Minister and very briefly as a Prime Minister. His very sudden and tragic death was a shock to all of us. It was doubly a shock, I am sure, to his veteran colleagues, the hon. member for Grey South (Mr. Oliver) and the hon. member for Dufferin-Simcoe (Mr. Downer), who had for so many years served with our departed friend.

I refer also with much respect to the passing of Albert Wren who represented the great northern riding of Kenora. Our friend was a young man who one would have thought would have had many years of life and service ahead of him. He served honourably in world war II. He was a warm advocate especially of the claims and the aspirations of the north. He was a strong critic on occasion of the administration, and indeed of his own party when he found reasons to disagree.

The passing of these distinguished members is a loss to this House. My colleagues, as has been stated by the hon. member for Toronto St. George, will wish to join with me in expressing our sorrow and our sympathies to the families who have realized this great sorrow.

The hon. member for Toronto St. George has already expressed in well chosen words our assurances of loyalty to the Crown and our devotion to our British heritage of democracy. We rejoice in the birth of a son and heir to the Earl of Snowdon, Viscount Linley of Nymann and Her Royal Highness Princess Margaret. We are happy at the success of the visit of Her Majesty Queen Elizabeth II and her distinguished husband, Prince Philip, Duke of Edinburgh, to the Republic of Ghana. There were great fears as to the safety of Her Majesty in visiting this member of the Commonwealth; fears which happily were ill-founded. The great African continent enters into its era of self-government. It is important to the western world that we do everything possible to foster friendly relations with its huge population. It is most desirable that they enter and remain as one more bulwark of the forces of freedom.

As this House assembled to receive the address of His Honour the Lieutenant-Governor of Ontario we were once more vividly reminded that we are living in an era of change. World conditions have changed, unhappily often for the worse. Conditions have changed in the federal sphere and like other democratic nations we have had to build a huge military, naval and air establishment. Here in Ontario the growth factor has been nothing short of phenomenal in the last couple of decades, and in this assembly change is all about us.

I have already referred to the passing of a number of familiar faces. Today it is with an effort that I find myself referring to the hon. member for Victoria (Mr. Frost) when for so long we referred to him as the hon. Prime Minister. My colleague from Toronto St. George has already referred to this hon. member and his long record of unexcelled service. The hon. member for Victoria has served altogether a period of some 24 years as a member of this assembly. For 18 years he has held Cabinet posts and for 12½ years he has occupied the high post of Prime Minister. His decision to pass along the heavy burdens of office to other hands came as a shock to this House and to the people of Ontario. Our newspapers from coast to coast, and indeed in the United States, referred in glowing terms to his great record of accomplishment and with regret as to his departure.

At the recent leadership convention of the Progressive Conservative Party which has already been mentioned this afternoon, it was a privilege and an honour to the hon. member for Glengarry (Mr. Guindon) to introduce the retiring Prime Minister of Ontario to a gathering of, it has been said, more than 7,000 party members who crowded Varsity arena. I cannot in a few words do credit to the record of accomplishment left by the hon. member for Victoria. That record will be permanently inscribed in the history books of Ontario long after all of us have passed on.

The sound management of provincial affairs has been an important factor in attracting 50 per cent of Canada's immigrants to this province. We have had a population increase of 1.5 million persons in this last decade. This has involved a tremendous responsibility in the provisions of facilities, housing, hospitals, hydro power, highways, schools, indeed every possible facility that could be imagined. Here the problems have been met, not always as completely as we might have liked—yet solutions are always in sight.

We have seen eastern Canada transformed from a rather neglected hinterland into what is becoming rightfully called the golden triangle of this province. Our water powers on the Ottawa have been developed, the St. Lawrence project is in full operation—and please remember, given cheap and adequate power, given adequate natural resources and given a suitable labour force, then you have a setting in which industry will expand and will flourish. And that is the setting which we have in eastern Ontario today, thanks largely to the vision and drive of him to whom we now refer as the hon. member for Victoria.

The trans-Ontario highway is nearing its completion. The trans-Canada highway is open for traffic all across our province. Highway 17, that great artery starting at the Quebec border, and running through the Ottawa valley and thence to Sault Ste. Marie, is either rebuilt or in the process of renovation. Great international and interprovincial bridges are spanning our rivers. New schools, new universities, are dotting our landscape. A great plan of hospital insurance covers 95 per cent of our people. It protects them from the distress, the crushing financial burdens, the penalties associated with prolonged illness.

The list is a long one, far too long for me to recite. As the hon. member for Glengarry remarked the other day in respect to the career of the hon. member for Victoria, if you require a monument look about you.

I do not know what the plans for the hon. member may be, but I am well assured that he will continue his life of service in this province. Already he has been honoured by his appointment as a member of the board of governors of the University of Toronto. The management of that great institution of higher learning will benefit from his broad experience and his sage advice.

Perhaps the university authorities will find in him an exceptionally able ambassador on approaching this government for additional funds to enable them to pursue their work. I am sure that the hon. Provincial Treasurer (Mr. Allan) would give such an ambassador a respectful hearing. I say, Mr. Speaker, I wish the hon. member for Victoria all happiness, all prosperity, good health, long life and every blessing, as he moves into another sphere of service.

As has been previously remarked, our recent leadership convention saw assembled a democratic body of 1,780 delegates, their primary task to choose a new leader for the

Progressive Conservative Party of this province. The proceedings were observed by many, many more guests and well-wishers, surely an outstanding gathering of its kind in Ontario history.

I congratulate once again the hon. Prime Minister (Mr. Robarts) on his success at the convention I have mentioned. He won high office in a clean and honest contest. Today he serves as Prime Minister of Canada's greatest province, backed by those who battled it out for high honours in such recent days. He has the united support of those of us who sit with him, Mr. Speaker, and I believe that he has the good will of all of the people of Ontario.

His career as a student, as a lawyer, as a municipal councillor, as a private member of this Legislature, as a member of the Ontario Water Resources Commission, and latterly as Minister of Education has been a steady upward climb. In world war II it was the same; he joined the Royal Canadian Navy as an ordinary seaman, he soon won commissioned rank and had the honour of being mentioned in despatches. If his career to this date is any index to the future he will fulfill the duties of his high office with honour, efficiency and distinction.

It is plain from even the most cursory glance at the address from His Honour the Lieutenant-Governor of Ontario that we are faced with an extremely important program. The address of His Honour comprises not only a tremendous record of accomplishment, it indicates also a carefully designed and far-seeing approach to the problems of the future. I cannot pretend to speak of the details of this historic document but there are a few points which I should like to stress.

The operation of hydro-electric enterprise is of special interest to those of us in eastern Ontario. As I have mentioned, the water powers on the Ottawa River have been developed by Hydro during the life of this government. The same applies to the St. Lawrence. Back in the days of another government, the then head of the Hydro enterprise said he looked for a decrease in the consumption of electricity, then a steady modest increase.

Also back in those distant days an hon. Minister in another government made a nine-hour speech in this chamber, detailing the woes of Hydro and begging the people to tell him what to do with unwanted power. Let us see what happened.

In 1943 in round figures Hydro's dependable peak capacity was 2,470,000 horse-

power; in 1950 it had risen to 3,660,000 horsepower; by 1960 it had risen to 8,750,000 horsepower. At the end of 1961 the figures will be 9,400,000 horsepower. Taking into account new development coming into production, such as that at Fort William, the Lakeview development west of Toronto and the automatic-electric plant at Kincardine; it is already seen that this government has had to plan to increase Hydro's capacity five or six times.

About 95 per cent of Ontario's farm and hamlet dwellers now have hydro power and there is no more useful utility around the farm, I may assure hon. members.

Again, Hydro is reaching out in more sparsely settled areas by concessions made in recent years whereby fewer customers per mile are necessary than formerly were required. The magnitude of some of these developments is nothing short of astonishing. The St. Lawrence development feeds 1,100,000 horsepower into the Hydro system. The Lakeview station will supply 1,350,000 horsepower. Up on the St. James Bay watershed plants are in progress for construction to develop 375,000 horsepower.

Early next spring we shall see in production the Rolphton atomic-electric plant, a pilot plant to produce around 20,000 kilowatts. The use of atomic-electric power will, however, go on a commercial basis when the Douglas Point plant is completed a few years hence. This will produce 150,000 horsepower and will rate as one of the great Canadian experiments in the atomic-electric field.

It should be recorded that the change-over to 60-cycle current in Ontario has been fully completed without dislocation to industry and very little inconvenience to our householders.

Again, the Hydro experiments in the transmission of power over very long distances and at extremely high voltages are breaking new ground and point to the development of water power located in the very far north.

Altogether the management of the Hydro system reflects a great credit on this government. A very large measure of praise is due to the first Vice-Chairman and hon. Minister of Energy Resources (Mr. Macaulay). His work in a highly technical field has been one of the utmost value and his numerous writings on the subject of energy in its manifold forms has done much to enlighten us all on subjects which ordinarily have not been presented in a way the layman understands.

In the part of Ontario which I have the honour to represent the subject of highways is always a live one, along with the development of parks and tourists areas, more notably in Algonquin Park. We have some very valuable timberland along with tourist possibilities in the northwest section of Algonquin Park in the Ignace Lake, Grand Lake region. Some work has been done by The Department of Lands and Forests to provide adequate access to this area and about 18 miles of road are to be put into shape here by The Department of Highways on behalf of The Department of Lands and Forests—nine miles of this distance will be undertaken this year.

Highway 17 has been rebuilt from Haley station to Meach station about 10 miles east of our town of Pembroke; again in the Pembroke-Point Alexander district a continuous 37 mile distance has been reconstructed. I should also mention the Ottawa thruway is now open in part, which is a new and most important link on Highway 17. Highway 62, for 15 miles south Combermere to Barry's Bay is a fine new road of much local importance featured by a modern bridge over the Madawaska at Combermere. A 10-mile road from Barry's Bay to Wilno on Highway 60 has also been completed. Highway 60, previously ending in the village of Eganville in my riding, has now been extended for 18 miles to Northcote at Highway 17 via the village of Douglas—a much needed local improvement.

Along the Ottawa River, 14 miles of municipal road are being treated as a municipal development road and will be brought up to a modern standard. This road, now in poor condition, runs from Sand Point in McNab township to MacKenzie's Mill in Horton township in the riding of Renfrew South. It runs through a highly scenic territory with excellent tourist possibilities and may one day be incorporated as a part of Highway 29.

In 1962, a section of Highway 60 Wilno to Killaloe will be rebuilt, a distance of 12 miles. This will give a first-class thruway from Eganville to Combermere crossing three municipalities.

In the northwest section of my riding, expenditures of approximately \$275,000 a year are being made by The Department of Lands and Forests on park improvements. The general effect is, as I have said, to open up tourist and camping areas hitherto almost inaccessible in Ontario's greatest provincial park.

As His Honour remarked in his address to this assembly, we now have 79 provincial parks and camping areas fully serviced as in contrast with about six of a few years ago.

More and more, our own people, along with thousands of tourists, are making the fullest use of camping areas. They acquire a taste for outdoor life, they learn to rough it a bit and their vacation funds must go much further. Muskoka, Parry Sound, the far northwest, long have become not only well established but often overcrowded as vacation spots. In the Ottawa valley there is still plenty of scope for an expanded tourist trade in all its branches and we appreciate the efforts of this government to see that this part of Ontario comes into its own.

One of Canada's most important military centres is at Petawawa camp. Here we have about 6,000 members of the Canadian armed forces with some 3,700 women, wives and dependants of the members of the military staff. Some of the men are there for training, others are members of the permanent staff. Here is a closely knit, orderly community of fine young men and women of whom we can all be proud.

Again, we have at Deep River a community of almost 7,000, mostly made up of young people, very many of them preoccupied with problems related to the vast field of atomic research. In the main, it is their work that makes possible the construction of such large enterprises as the new atomic energy plant now coming into being at Douglas Point.

Both the communities I have mentioned are interested in or are beneficiaries of the vast facilities provided by the province or with provincial aid. The people here are interested in education, hospitalization, highways, public works of all types. Their work is specialized, but none the less they are bright and ambitious young citizens of my community intensely interested in their respective tasks and constituting communities of which every Canadian should be proud.

Education is a subject well to the fore wherever we go around Ontario. In an earlier day, education was, may I say, desirable. Today it is a stern necessity. I could say a word about universities—just four in number when this government took office, but 12 as they exist today. I should like to talk about the magnificent work of the Ryerson institute in Toronto with its 2,500 students. Most have noted, I think, that this great college is now being housed in new and modern quarters in keeping with the fine work it is doing.

However, it is with our public and secondary schools that most of us are personally and intimately concerned. There our children get their start. To support them the tax collector digs deep into our pockets.

Now, just where would we be without the aid which is extended by this government?

Comparisons quickly lose their meaning in these days, for in the last 20 years we have achieved, shall I say, a normal century's progress. However, this comparison is worth noting. Back in 1944, that is 17 years ago, provincial education grants for Renfrew North were in round figures \$88,000. Last year, 1960, they were over \$1,600,000—in a word, we have here an 18-fold increase and the story is the same all across Ontario. This government today is pouring over a quarter billion dollars a year into education and the amount increases year by year. The most any previous government ever expended in any year in this cause was \$13 million; such figures speak for themselves.

As the hon. leader of the Opposition (Mr. Wintermeyer) travels across the province he proposes new universities. He proposes to have the province take over nearly all of the costs of primary and secondary education. It would mean of course the abolition of local boards or reducing them to a state of helplessness.

But there is one side of the question that the hon. leader of the Opposition does not touch and that is: where will he get the money? He will never have a better chance than right here in this assembly to spell out his plans in detail.

It is all very well for members on the other side of the House to complain about treatment of the municipalities. Let me say, that since this government took office provincial grants to municipalities have increased by 20 times and they are still going up. I do not think the senior government is doing too badly when it paid out about 50 per cent of all its revenues to assist our local municipal governments.

His Honour in his address instanced that places had to be found for an extra 100,000 pupils in Ontario schools last year and the trend will continue in the same direction. New construction to provide school space costs \$100 million—a sum equal to the whole provincial budget of a few years ago. Revision of study courses is under way, new text books are in preparation, progress is a departmental watchword under the able direction of the hon. Minister of Education (Mr. Robarts).

As His Honour pointed out, the output of qualified teachers from our teachers' colleges is double that of five years ago. Teachers' colleges have been expanded and five have recently been built or located respectively in

Toronto, Hamilton, London, New Toronto and Port Arthur, and another is under way presently at Windsor. In a word, teacher shortage has become something of the past.

The launching of new trade schools is a vast forward step in this age of technology and automation. These schools, as was pointed out by His Honour, will be located at Toronto, Ottawa, London and Sault Ste. Marie; Kirkland Lake will be the site of a new institute of technology, a similar building will be erected in Ottawa to replace the present rented quarters.

Of special interest to my riding is a new vocational school at Pembroke. This will also serve, I am sure, the high school district of Eganville, Cobden and Deep River. In the east we now have Carleton University and the University of Ottawa. Here in Toronto, York University is successfully launched.

It will among other things take off the pressure that is now presently existing on the University of Toronto. We have another university located at Sudbury, another in Windsor, another at Waterloo and I believe another to be located at the Lakehead. We shall await the story of education with interest, as the hon. Minister details his proposals to this assembly.

My congratulations go to the hon. Minister of Health (Mr. Dymond) for his great and forward looking programs in many fields. Eastern Ontario has not been neglected as was often the case in bygone years. Vast improvements and extensions have been made at the mental hospital establishments at Kingston and at Brockville. The hospital and school at Smiths Falls cares for some 2,500 mentally defective patients in quarters which are a credit to Ontario. This project was launched, it is interesting to recall, by the Conservative government of 30 years ago. The project was abandoned when another government took office and it was revived immediately the Conservative government once again was elected to this Legislature.

We have another similar institution at Cedar Springs near Chatham. This week it will house about 1,200 patients, mostly of the mentally defective type. Older sections of the great hospital and school at Orillia are being demolished to make way for larger, more modern accommodation.

Of course, I must give the former government at least some credit for providing care for the mental defectives. They actually built a frame cottage at Orillia to house 60 patients to meet a waiting list of more than 2,500. There the cottage stands today beside Highway No. 11, a monument to a government

long since passed away and never noted for its humanitarian practices.

It is good to know that in erecting new mental hospitals at Goderich, Owen Sound and Palmerston, humanitarian practices will prevail in that conventional institutional plans will give way to modern comfort. Rehabilitation will be the watchword along with modern scientific care. The rehabilitation plans to which His Honour referred will be watched, I am sure, with interest.

Of very special interest to many of my constituents is the establishment of a new radiation protection laboratory, the first of its kind to be established in any province. Very many of the people with whom I am associated are engaged in work related to the development of atomic energy.

Turning for a moment to the subject of agriculture, I am sure that plans to integrate more closely that fine work of the Ontario Agricultural College, the Ontario Veterinary College and MacDonald Institute will meet with the general approval of all of our farm people.

I must congratulate my hon. friend the Minister of Agriculture (Mr. Stewart) on his recent appointment to a most important Cabinet post. He entered this House by way of a by-election, again receiving the approval of his constituents in the general election of 1959. He was not long in establishing himself as a well-informed member of this assembly, nor was he long in attaining Cabinet rank as an hon. Minister without Portfolio. His career as a successful farmer, his long connection with various farm bodies and his participation in municipal affairs, especially in the educational field, all told well for his success in one of the most important departments of this government.

While I am on the subject I should also like to extend my good wishes to the hon. member for Huron (Mr. MacNaughton). He too is familiar with the agricultural community of Ontario and indeed all across Canada. He, as hon. members know, dealt in very high quality seed products which gave him a very close connection with the farmers of this province. His elevation to the post of hon. Minister without Portfolio, I am sure, points to his being allotted even greater responsibility within the foreseeable future.

For a good many years the important tobacco industry was fairly well confined to the Lake Erie district. Tobacco growing has spread into Oxford and Brant, up to Owen Sound and down to Northumberland, to mention only a few areas participating in this \$100 million a year crop. Now one of our

local farmers near Beachburg, Ontario, in my riding, is successfully growing tobacco. He is launching a branch of agriculture new to us, but which I am sure has interesting future possibilities in Renfrew County.

Reverting again for a moment to the subject of highways, Mr. Speaker, I should like to say that we in Renfrew County are not unmindful of what has been done for us. Back in 1943, which is about 18 years ago, there was spent on King's highways in Renfrew North, \$183,000 as a total. In 1959 the sum was \$2.1 million and again in 1960 \$1,704,000 were spent in my riding. Municipal roads subsidies jumped from \$57,000 in 1943 to \$419,000 in 1959 and \$542,000 in 1960.

Such figures not only speak for themselves, but the vast improvements in our highways and municipal roads speak in an even more convincing voice.

The adjacent riding, Renfrew South, is to the credit of my late friend, Jim Maloney. In that area expenditures were made on King's highways in 1959, to a total of \$1,476,000; and again in 1960 it rose to \$2.5 million.

Subsidies to the municipalities rose in the same comparison. This means more roads, better roads and the local tax bill, Mr. Speaker, fell within more moderate bounds.

We have had two distinguished hon. Ministers of Highways from eastern Ontario; the hon. member for Grenville-Dundas (Mr. Cass) gave unexcelled leadership in this great and vast department. He now takes over the responsible post of hon. Minister of Municipal Affairs. Here his knowledge of the province, his experience gained in the past few years as an hon. Minister of the Crown, guarantees for him a further opportunity for outstanding service.

The new hon. Minister of Highways (Mr. Goodfellow) whom I catalogue as an eastern rather than a western man, needs no recommendation from me. He has enjoyed a wide experience, a real apprenticeship in the municipal field, as hon. Minister of Municipal Affairs and hon. Minister of Public Welfare, coupled in latter years with his experience as hon. Minister of Agriculture.

He has gained a vast experience into the inner workings of government. His patience, his affability and his courtesy are known to all of us and I am sure that we wish him well in the performance of a new duty.

It is a pleasure to congratulate the hon. member for Toronto St. Andrew (Mr. Grossman) on a promotion into a high and responsible and sometimes trying position. As

chief commissioner of the Liquor Control Board of Ontario he will add to the record established by the late William H. Collings, to whom I have already referred. He always has sound opinions and the ability to express them.

I shall add a word as to the hon. Minister of Labour (Mr. Warrender). In the municipal field in his native city and as hon. Minister of Municipal Affairs he acquired a reputation for hard work plus native ability. He too has our good wishes in approaching his task.

I have already spoken briefly of the hon. Minister of Energy Resources (Mr. Macaulay) who is also the first Vice Chairman of the Hydro-Electric Power Commission and who now will also head the new Department of Economics and Development. This latter department merges the work of The Department of Commerce and Development, Department of Economics and Federal and Provincial Relations and has been mentioned earlier this afternoon by the hon. member for Toronto St. George (Mr. Lawrence).

Naturally, as an easterner I regret the pending departure of the hon. member for Kingston (Mr. Nickle). I am glad, however, that he will be with us for the remainder of this term of parliament; also that his sound advice and counsel will be available to the government and that he remains as an hon. Minister without Portfolio.

Nothing but good wishes will go to the hon. member for Lincoln (Mr. Daley) in giving up his heavy duties as hon. Minister of Labour after a total of 18 years as head of a difficult department. It is good that he too is remaining as an hon. Minister without Portfolio. His affable presence is something we should not like to miss and I think there will be general agreement that he has done an excellent job for Ontario in his many years of heavy responsibility.

Our good and genial friend, the hon. member for Port Arthur (Mr. Wardrope) will find himself at home in the Mines portfolio. His administrative ability and his warm humanitarian principles have left a mark on The Department of Reform Institutions which will not soon be erased.

In the formation of his Cabinet the hon. Prime Minister (Mr. Robarts) has honoured eastern Ontario by the appointment of the hon. member for Ottawa South, the now Minister of Reform Institutions (Mr. Haskett). The hon. Minister is well known to us for his modesty, his quiet efficiency, and his success in his own business. He will carry on,

I am sure, in the best traditions of his predecessors.

While the hon. member for Wellington-Dufferin (Mr. Root) relinquishes his portfolio, he takes up, as the hon. member for St. George (Mr. Lawrence) has pointed out, specific duties with the Ontario Water Resources Commission and will continue to be of tremendous service to the people of Ontario.

In this great province we have experienced a boom. We have likewise passed through some trying post-boom days with little damage to our economy. As His Honour the Lieutenant-Governor remarked in his address, our gross provincial product has now passed an astonishing \$60 billion per year. Such an impressive figure is, shall I say, incomprehensible to the ordinary mind.

Our population has passed the 6.5 million mark. Our unemployment ratio is below the national average. Our secondary industries, the great backbone of the employment situation, are in healthy condition.

Our forest industries, likewise, are healthy and expanding. Provision is being made for the expansion of industrial research.

Our stock markets, rightly, or wrongly, continue to predict a great era of prosperity, expansion and development.

Agricultural research is to be consolidated. Advance legislation to rural co-operatives has been promised.

Much attention will be given to the development of parks, wilderness areas, protection and propagation of fish and wildlife and all other facets of the problems of the north. Transfer of conservation responsibility to The Department of Lands and Forests is, in my opinion, Mr. Speaker, a most logical step.

It will be remembered that a provincial police commission is proposed to be established; also that attention will be given to highway traffic laws with special reference to legislation related to the demerit point system.

Mr. Speaker, we are now to address ourselves to two important tasks: first, we shall have the opportunity to review a record of what I consider excellent government; secondly, we shall devote our efforts to dealing with an advanced program of proposed legislation. These tasks I am sure we shall approach with our thoughts directed to the task of making this a still better province in which to live.

We are free from the oppressions of dictatorship, we have an abundance of the great

things of life, we have governments which are concerned primarily with the welfare of the people rather than the individual with a lust for power. Let us preserve our great heritage of freedom and democracy.

Mr. Speaker, I second the motion of the hon. member for St. George for the adoption of the address graciously presented to us by His Honour the Lieutenant-Governor of Ontario.

Applause.

Mr. Wintermeyer moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, in moving the adjournment of the House, tomorrow we will go on with the second readings on the order paper. There will be introduction of certain legislation, but we will take it in the order it presently stands. There will be no estimates called. On Wednesday we will go on with the debate on the Speech from the Throne.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5:10 o'clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, November 28, 1961

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, NOVEMBER 28, 1961

The House met at 3:10 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from Walsh Public School, Simcoe and Lynedoch Public School, Delhi, in the west gallery. We also have with us today, sitting on the floor to the Speaker's left, the Hon. John Pickersgill and the Hon. Paul Hellyer. Also, on the right, Mr. Clayton Hodgson, M.P. for Victoria.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the city of London praying that an Act may pass refunding certain taxes on the premises of London Little Theatre; and for other purposes.

Of the Ontario Registered Music Teachers' Association praying that an Act may pass providing for a head office for the association and increasing the council to not more than fifteen.

Mr. Speaker: Presenting reports by committees.

Mr. C. T. Rollins, from the select committee appointed to prepare the lists of hon. members to compose the standing committees of the House, presented the committee's first report which was read as follows and adopted:

Your committee recommends that the standing committees ordered by the House be composed as follows:

Committee on agriculture—Messrs. Allen (Middlesex South), Auld, Boyer, Brown, Brunelle, Carruthers, Chapple, Connell, Davis, Davison, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Fullerton, Gisborn, Gomme, Guindon, Hall, Hamilton, Hanna, Hoffman, Innes, Janes, Johnston (Carleton), Lavergne, Letherby, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Myers, McNeil, Noden, Oliver, Parry, Reaume, Rollins, Root, Sandercock, Simonett, Spence,

Stewart, Sutton, Troy, Whicher, Whitney, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on conservation—Messrs. Allen (Middlesex South), Brunelle, Bryden, Bukator, Carruthers, Davis, Evans, Gisborn, Gordon, Hall, Innes, Janes, Johnston (Carleton), Lawrence, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morin, McNeil, Newman, Oliver, Parry, Reaume, Root, Rowntree, Sandercock, Simonett, Spence, Stewart, Sutton, Troy, White—35.

The quorum of the said committee to consist of five members.

Committee on education—Messrs. Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bryden, Carruthers, Chapple Cowling, Davis, Davison, Downer, Edwards (Perth), Evans, Gould, Guindon, Hamilton, Janes, Johnston (Carleton), Lavergne, Lawrence, Letherby, Lewis, MacDonald, MacNaughton, Morin, Morningstar, Morrow, Myers, McNeil, Newman, Parry, Phillips, Price, Rollins, Root, Sandercock, Simonett, Singer, Spence, Stewart, Sutton, Thompson, Trotter, Troy, Whicher, White, Wintermeyer—50.

The quorum of the said committee to consist of seven members.

Committee on energy—Messrs. Brunelle, Bryden, Bukator, Carruthers, Chapple, Davis, Gomme, Guindon, Hamilton, Haskett, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Letherby, Lewis, MacDonald, MacNaughton, Myers, McNeil, Oliver, Phillips, Reaume, Rollins, Root, Simonett, Singer, Sopha, Stewart, Thomas, Whicher, Whitney, Wintermeyer, Worton—35.

The quorum of the said committee to consist of five members.

Committee on game and fish—Messrs. Allen (Middlesex South), Beckett, Boyer, Brown, Brunelle, Chapple, Cowling, Davis, Davison, Evans, Fullerton, Gisborn, Gordon, Guindon, Hamilton, Hoffman, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Letherby, Lewis, Lyons, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, Myers, McNeil, New-

man, Noden, Oliver, Parry, Price, Rollins, Root, Simonett, Sopha, Spence, Stewart, Sutton, Troy, Whicher, White, Whitney, Wintermeyer—50.

The quorum of the said committee to consist of seven members.

Committee on government commissions—Messrs. Auld, Beckett, Belanger, Brunelle, Bryden, Davis, Downer, Edwards (Perth), Guindon, Janes, Johnston (Parry Sound), Johnston (Carleton), Lawrence, Lewis, MacDonald, MacNaughton, Morningstar, Morrow, McNeil, Oliver, Parry, Phillips, Price, Reaume, Root, Sandercock, Singer, Sopha, Sutton, Thomas, Trotter, Troy, Whicher, Whitney, Wintermeyer—35.

The quorum of the said committee to consist of five members.

Committee on health and welfare—Messrs. Auld, Belisle, Boyer, Brunelle, Brown, Bukator, Carruthers, Chapple, Cowling, Davis, Davison, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Gomme, Guindon, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, Lawrence, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Morin, Morningstar, Morrow, McNeil, Newman, Noden, Oliver, Parry, Phillips, Price, Rollins, Root, Sandercock, Simonett, Spence, Stewart, Sutton, Thomas, Thompson, Trotter, Troy, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on highways and highway safety—Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Cowling, Davis, Edwards (Perth), Edwards (Wentworth), Fullerton, Gisborn, Gomme, Gordon, Grossman, Guindon, Hall, Hamilton, Hanna, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morrow, McNeil, Newman, Noden, Price, Reaume, Rollins, Root, Simonett, Singer, Stewart, Sutton, Thomas, Thompson, White, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on labour—Messrs. Auld, Belanger, Belisle, Carruthers, Cass, Daley, Davis, Davison, Downer, Edwards (Wentworth), Gisborn, Gomme, Grossman, Hamilton, Hanna, Haskett, Laverne, Lawrence, MacDonald, MacNaughton, Morningstar, Myers, Newman, Parry, Reaume, Rowntree, Simonett, Singer, Sopha, Trotter, Wardrope, Whicher, White, Worton, Yaremko—35.

The quorum of the said committee to consist of five members.

Committee on lands and forests—Messrs. Allen (Middlesex South), Auld, Belanger, Belisle, Boyer, Brown, Brunelle, Bukator, Chapple, Davison, Downer, Evans, Fullerton, Gisborn, Gomme, Gordon, Guindon, Hamilton, Haskett, Hoffman, Innes, Johnston (Carleton), Johnston (Parry Sound), Laverne, Lawrence, Letherby, Lyons, MacDonald, Mackenzie, MacNaughton, Morningstar, Morrow, Myers, McNeil, Noden, Phillips, Price, Rollins, Root, Sandercock, Simonett, Sopha, Spence, Sutton, Thompson, Troy, Wardrope, Whicher, White, Wintermeyer—50.

The quorum of the said committee to consist of seven members.

Committee on legal bills—Messrs. Beckett, Bryden, Cass, Davis, Downer, Edwards (Perth), Gould, Grossman, Hall, Hanna, Haskett, Lawrence, Macaulay, MacDonald, Myers, Nickle, Noden, Parry, Price, Rowntree, Singer, Sopha, Trotter, Wintermeyer, Yaremko—25.

The quorum of the said committee to consist of five members.

Committee on mining—Messrs. Belisle, Boyer, Brunelle, Bryden, Chapple, Davis, Evans, Fullerton, Gisborn, Gomme, Gordon, Grossman, Hoffman, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, MacDonald, Mackenzie, Manley, Morin, Morrow, Newman, Noden, Price, Rollins, Root, Rowntree, Sandercock, Sopha, Thompson, Troy, Wardrope, Wintermeyer, Worton—35.

The quorum of the said committee to consist of five members.

Committee on municipal law—Messrs. Auld, Beckett, Belanger, Belisle, Brunelle, Bryden, Bukator, Carruthers, Cowling, Davis, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Fullerton, Gomme, Guindon, Hall, Hamilton, Haskett, Janes, Johnston (Carleton), Laverne, Lawrence, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morin, Myers, McNeil, Newman, Nickle, Oliver, Parry, Price, Reaume, Root, Rowntree, Sandercock, Singer, Sopha, Stewart, Sutton, Thomas, Whicher, Whitney, Worton, Yaremko—50.

The quorum of the said committee to consist of seven members.

Committee on printing—Messrs. Auld, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Cowling, Evans, Fullerton, Gisborn, Gomme, Gordon, Hamilton, Haskett, Janes, Johnston (Carleton), MacDonald, Mackenzie,

Manley, Morin, Parry, Whitney, Wintermeyer, Worton—25.

The quorum of the said committee to consist of five members.

Committee on private bills—Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bryden, Carruthers, Chapple, Cowling, Davis, Edwards (Perth), Evans, Fullerton, Gisborn, Gomme, Gordon, Gould, Grossman, Guindon, Hall, Hamilton, Hanna, Haskett, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, Myers, McNeil, Newman, Nickle, Oliver, Parry, Price, Reaume, Rollins, Root, Sandercock, Simonett, Singer, Sopha, Stewart, Sutton, Thomas, Trotter, Troy, Whicher, Whitney—60.

The quorum of the said committee to consist of seven members.

Committee on privileges and elections—Messrs. Allen (Middlesex South), Belisle, Boyer, Brunelle, Davis, Gomme, Grossman, Lavergne, Lawrence, Letherby, MacDonald, Morrow, Oliver, Trotter, Wintermeyer—15.

The quorum of the said committee to consist of five members.

Committee on standing orders—Messrs. Allen (Middlesex South), Auld, Belisle, Fullerton, Gordon, Hall, Hanna, Hoffman, Janes, Lavergne, Lyons, MacDonald, Mackenzie, MacNaughton, Manley, McNeil, Newman, Noden, Parry, Sandercock, Sutton, Thomas, Troy, White, Wintermeyer—25.

The quorum of the said committee to consist of five members.

Committee on travel and publicity—Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bukator, Carruthers, Chapple, Cowling, Davis, Davison, Downer, Edwards (Perth), Fullerton, Gisborn, Gomme, Gordon, Grossman, Guindon, Hamilton, Haskett, Janes, Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lewis, Lyons, MacDonald, Mackenzie, MacNaughton, Morin, Newman, Noden, Parry, Reaume, Rollins, Root, Sandercock, Simonett, Thompson, Trotter, Troy, Wardrope, Whicher, Whitney, Wintermeyer—50.

The quorum of the said committee to consist of seven members.

Your committee recommends that the practice of the last two sessions of devoting Wednesday afternoons to the work of committees when necessary, be continued.

Your committee also recommends that the standing committees on conservation, game and fish, and lands and forests be combined

and that your committee meet again to consolidate these three committees into one, of not more than fifty members.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, in regard to the first recommendation of the committee providing for a sitting on Wednesday afternoons, that is perfectly agreeable. It has worked in previous years and so we will follow that procedure this year.

I have spoken to the hon. Minister of Lands and Forests (Mr. Spooner) concerning the recommendation that the committee on lands and forests and the committee on conservation and the committee on game and fish are to be combined. He suggests to me that the game and fish committee might be kept separate because of the number of delegations which come in, particularly to deal with that one subject, and the great number of organizations they represent throughout the province.

I am going to suggest that the lands and forests and conservation committees be combined, but that at least for this year we leave the game and fish committee separate to deal with the many delegations that come to see it and see it alone. Perhaps another year—if it appears it can be combined with ease—we can do so.

In connection with the general organization of these committees, Mr. Speaker, tomorrow morning—I believe there is a notice on all the hon. members' desks—we will have a meeting of all the hon. members of the House and we will organize all these committees in one session, so to speak. This is simply a small innovation in order to get this organizational work done a little more quickly.

Instead of calling the individual committees to meet at individual times, throughout the day, all will assemble in one place at the same time. The committee members who are on individual committees will be there and we can deal with the appointment of chairmen, and the organization of the committees all at one time. That should be cleared up very quickly.

Mr. J. J. Wintermeyer (Leader of the Opposition): What time?

Hon. Mr. Robarts: Just a moment. I have not seen the notice myself.

Mr. Wintermeyer: Would the hon. Prime Minister (Mr. Robarts) permit a question while this information is being accumulated?

Hon. Mr. Robarts: Yes.

Mr. Wintermeyer: Is it my understanding that committee meetings will take up all of tomorrow and we will not have a formal session of the Legislature in the afternoon?

Hon. Mr. Robarts: No, Mr. Speaker. We have made arrangements to go on with the Throne Speech debate tomorrow afternoon and we will proceed at 3.00 o'clock. In previous years we have not given up our Wednesday to committee meetings until such time as we had the business of the House organized. There was a flow of work going in to these committees and, of course, there will be no work for the committees to do tomorrow because we have very few bills ready for consideration. Therefore, when the work of the House is flowing to the point where these committees can function and have work to do then we will dispense with the Wednesday sittings here. This can be settled probably the beginning of next week when we will see how the flow of business is.

The committee members will meet tomorrow morning at ten o'clock in committee room No. 1, but there will be notices on the desks of the hon. members later this afternoon.

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, I would like to request that a meeting of the standing committee on agriculture be convened for 10.00 a.m. on Thursday, December 7, for the purpose of hearing recommendations of the Ontario Federation of Agriculture, and any others who may be interested, relative to an agricultural machinery Act in the province of Ontario. I am pleased to advise the hon. members of the House through you, Mr. Speaker, that I met with the president and executive members of the Ontario Federation of Agriculture on the afternoon of Thursday, November 16 and at that time they made certain representations to me regarding an agricultural machinery Act. For the information of this House I might say that the following principles were suggested by the Ontario Federation of Agriculture as ones which might be considered for such an Act.

First, to provide for the availability of repair parts and service to purchasers of farm machinery in Ontario. Second, to provide for the control and sale of farm machinery and parts in Ontario. Third, to provide for testing of farm machinery offered for sale in the province of Ontario. Fourth, to provide for the publishings of reports of tests con-

ducted on farm machinery offered for sale in Ontario, including new machines that may be offered for sale some time in the future. And fifth, to provide for an inspection service to carry out the purpose and intent of an agricultural machinery Act. Sixth, to provide for an agricultural machinery board.

I realize, Mr. Speaker, that this may be a slight departure from normal procedure, to invite our committee to do this at the moment, but it is felt that it would be in the best interests of Ontario agriculture to allow the members of the standing committee to give the fullest possible consideration to the problems of farm machinery sales and service in the province of Ontario that are facing our farmers—because of the increasing mechanization that we have in the province today.

Mr. D. C. MacDonald (York South): I wonder if I might ask the hon. Minister (Mr. Stewart) a question? If he is getting witnesses to come before the committee, has he thought of getting one to come down from Saskatchewan where such an Act has been in effect for about 14 years? They would have quite a backlog of experience that would be a useful guide.

Mr. Wintermeyer: Mr. Speaker, may I ask the hon. Minister (Mr. Stewart) whether it is the government's intention to introduce any legislation this session in connection with this proposal?

Hon. Mr. Stewart: Mr. Speaker, I would say that we feel that this is such an important matter that we would like to deal with it before the standing committee on agriculture, that we might explore all the possibilities of this Act. If the standing committee on agriculture sees fit that this is something essential to the farm people of the province, we would be guided in drafting an Act that would meet the needs of the farmers today.

Mr. MacDonald: The government will not take the lead?

Hon. Mr. Robarts: Mr. Speaker, with regard to this point, it seems to me that this would be a good place to have this matter discussed and to see as a result of the deliberations of this committee and hon. members of the House what might be done.

It might very well be that a bill could be introduced; or what I also had in the back of my mind was if it proved to be a matter of some complication and was going to require a good deal of study, out of the meetings of the standing committee of this House could very well come a select committee of the

Legislature to study the whole proposition and see whether and what form any proposed legislation might take.

This is precisely what we intend to do with this problem. It seems to me it would provide a very effective way of studying the whole question and coming up with the right answer.

Mr. Speaker: Are the members in agreement with the Prime Minister's amendment, as it were, to keep the game and fish committee separate from the main lands and forests committee? Are the members in agreement on that?

Mr. C. T. Rollins (Hastings East) moves the adoption of the report.

Motion agreed to.

Mr. Speaker: Reports.

Motions.

Hon. Mr. Robarts moved that a standing committee on public accounts be appointed for the present session, which said committee shall be empowered to examine and inquire into all such matters and things as shall be referred to it by the House and to report from time to time its observations and opinions thereon, with power to send for persons, papers and records.

Hon. Mr. Robarts: This motion arises out of a discussion we had here last Thursday afternoon. On checking into the matter I find, and perhaps my face is a little red in this because I happen to be a member of this committee but I had forgotten just how far we had gone with it, that there is a select committee concerning the problems of government which is reviewing the Gordon report on the organization of government.

In the proceedings of that committee we have dealt with the question of the public accounts committee quite fully, but there were certain points that were being discussed there. I remember the discussion, for instance, when Mr. Watson Sellar the former Auditor General, came down from Ottawa. The hon. member for Grey South (Mr. Oliver) was there at the time, as was the hon. leader of the New Party group (Mr. MacDonald) and at that point the question was debated and argued as to who the chairman should be, the idea being advanced that he might be a member of the Opposition. The question was also discussed as to whether it might be wise for Ontario to follow the procedure that is followed in England where all proceedings of this committee are held *in camera* to prevent

the possibility of any use of this committee, shall we say, for political purposes, and in order to ensure that the committee would function as a true body of examination of the functions of government.

The point I am making simply is that all these points were considered by this select committee and as yet no final recommendation has been made to the House. I noticed that in April of last year when the public accounts committee met, a motion was passed that the problem be referred back to that select committee and that no action would be taken until the select committee brought in its report.

In order to expedite the work of the select committee I propose to move another motion as soon as this one has been carried permitting that select committee to sit during the Christmas recess. I hope that if the committee sits after we rise for the Christmas recess we might get a final report from the committee by the time we reconvene. Then we would be able to adjust this committee according to the results that come out of the select committee.

In the meantime, I would propose to set up the public accounts committee so that it can function as it has in the past if anything is referred to it from here, with the idea that when we do have the final conclusions of the select committee we would be in a position to make what changes the House deems necessary in the public accounts committee.

Mr. Wintermeyer: Mr. Speaker, with the observations that the hon. Prime Minister (Mr. Robarts) has made I do not think many of us are going to find a whole lot of fault. We are all cognizant of the fact that there has been preliminary discussion about using the public accounts committee for something other than what it has been used for in the past.

However, I would suggest, Mr. Speaker, that the government give consideration to the advisability of following the procedures he has suggested that a member of the Opposition act as chairman for the time being; and secondly, I would ask the hon. Prime Minister and this government to give consideration to the possibility of permitting the public accounts committee to sit even now, starting immediately, at a time when the House is not as busy as it will be in a few weeks, and start on consideration of some of the subjects that were discussed last April. I think it was April when we discussed the terms of reference, if you will, of the so-called public accounts committee.

My recollection is that there was at that time a genuine interest in certain things as interest charges and debenture issues and the like, all of which were very complicated, but such things as the hon. members of the committee felt would be beneficial to all hon. members in the consideration of the overall financial picture of the province. I would recommend seriously, Mr. Speaker, that the hon. Prime Minister consider the advisability of bringing before that committee, the public accounts committee, at an early date, those officials of The Treasury Department who it was intended should appear before that committee last year, if the opportunity had been given by the extension of time and facility, and who did not appear and give the information that was originally intended.

I think that this committee could serve a real purpose in helping to organize itself, in helping to find a purpose for itself by starting with just such a problem as was discussed by the committee last year.

Hon. Mr. Robarts: Mr. Speaker, I would be very happy to do that. As a matter of fact that is what I had in mind in establishing the committee this year in the form it was in last year so that we could carry out those plans that were made last year. But I think we are all now envisaging a broader function for this committee than even that and this will arise out of the report of the select committee.

I realize that there is a great desire on the part of the Opposition to have the chairman of this committee appointed from the Opposition. I am, frankly, personally much more interested to see what the reaction will be to having this committee meet *in camera*. I do not think it really matters, personally I do not think it matters, who the chairman is as long as he is a good one. But I do think the committee would function a lot better and we will get certainly a great deal more value from this committee if it meets *in camera* so that nobody is going to be pilloried and everybody can keep to the point. However, these are just matters that I mention.

Motion agreed to.

Hon. Mr. Robarts moves that the select committee on administrative and executive problems of government be authorized to sit during the Christmas-New Year adjournment of this session and that the same allowances for expenses to the chairman and members thereof be payable for such meetings as are provided by Section 65 of The Legislative Assembly Act, R.S.O. 1960, Chapter 208, for meetings held during the interval between sessions.

Mr. MacDonald: Mr. Speaker, before you carry that! May I ask with regard to the work of this committee that if there are going to be meetings held, that the date for these meetings be set at the earliest possible occasion? I need not inform the House that there is a matter of considerable preoccupation once this House adjourns until January 18, and some of us may find it difficult to be in two places at the same time.

Motion agreed to.

Mr. F. R. Oliver (Grey South): Mr. Speaker, I would like to ask the hon. Prime Minister (Mr. Robarts) in view of his statements in reference to the committee; is it essential in his judgment that the committee finalize its work before the Legislature meets again in January?

Personally, I always felt that there was lots of work that this committee could still do, very effective work. If it is the feeling of the government that this committee should finalize its work, I think a lot of what it could do will not be done. I can understand my hon. friend's thought when he says that it should be finalized, that part of the committee's work that deals with the public accounts committee, but I would hate to go away with the idea that we are obligated to finish in its entirety the committee's work before the session resumes.

Hon. Mr. Robarts: Well, Mr. Speaker, no. I would leave it to the good sense of the chairman and the committee. I realize there is a lot of territory for that committee to cover in addition to the question of the public accounts committee. Perhaps the committee might decide in its wisdom to bring in an interim report covering the public accounts committee only. All I am trying to do is set up the machinery to deal with this one item as quickly as possible.

Mr. Speaker: Motions.

Introduction of bills.

THE BAILIFFS ACT, 1960-61

Hon. A. K. Roberts (Attorney-General) moves first reading of bill intituled An Act to Amend The Bailiffs Act 1960-61.

Motion agreed to; first reading of the bill.

Mr. V. M. Singer (York Centre): Mr. Speaker, will the hon. Attorney-General explain this and the other bills that he has—

Hon. A. K. Roberts (Attorney-General): I will follow the practice that is more or less

accepted here of making a short explanation of each of these bills, even though the general principle, of course, does not get discussed until second reading.

This bill is an attempt to clarify the wording, as there appears to have been some misunderstanding amongst the bailiffs as to wording of Section 4 of The Bailiffs Act which was enacted last year. It really contains no change in principle. The amendment removes any possibility that the creditors referred to include those of the guarantor of a bond and it allows the refunding of a guarantor of a bond that has been realized paid by the guarantor.

THE CORONERS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Coroners Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill merely provides that in addition to the fee for a post-mortem examination by a pathologist, if he employs an assistant an additional fee of \$10 may be paid.

THE CROWN ATTORNEYS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Crown Attorneys Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill brings an amendment to section 3 of The Crown Attorneys Act and is applicable to metropolitan Toronto and county of York. The effect of the amendment is that there will be a Crown Attorney, a deputy Crown Attorney and such assistant Crown Attorneys as may from time to time be required.

At the present time in the county of York and metropolitan Toronto there is a Crown Attorney and all others are assistant Crown Attorneys. There are quite a large number of them as the staff grows with the growth of population. This will give to the second-in-command the status of a deputy Crown Attorney.

THE DEVOLUTION OF ESTATES ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Devolution of Estates Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill is complementary to one that I will introduce in a moment, but as I have them alphabetically arranged this one happened to come first. It transfers section 6 of The Legitimation Act to The Devolution of Estates Act, as the section deals with the devolution of property, not legitimacy. That will be a little more apparent when I introduce the other bill.

THE DIVISION COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Division Courts Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this proposed amendment is the product of some experience in dealing with consolidation orders in the division courts since they were first introduced in 1950. Consolidation orders by which a debtor may apply to the judge of a court for the consolidation of unsatisfied judgments are an advantage to deserving debtors but have in some cases been abused as a means of delaying garnishees and encouraging further debt. Recommendations contained in these amendments are made to protect the deserving debtor, yet make it difficult for the debtor who has no intention of paying his debts to hide behind the consolidation order. Two main points are that consolidation order procedures will only apply where there are more than two unsatisfied judgments instead of where there are two or more as at present, and the effect of the amendment is to abolish *ex parte* consolidation applications for consolidation orders.

THE FIRE MARSHALS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Fire Marshals Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, hon. members will recall that last year the bill was passed to give certain authority to police under The Police Act in relation to emergencies. This now is a bill authorizing appropriate steps to be taken for the efficient functioning of municipal fire departments in the event of an emergency as defined. It is in line with the EMO operations and work that is going on in the event of a major emergency developing.

THE JURORS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Jurors Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill provides for larger panels being selected of jurors than is presently the case. The purpose of the amendment is in part because of growth, and in part also because of the desire to encourage women to serve as jurors recognizing at the same time that they can, of their own volition, be excused at their own request, that therefore the number available for the panels should be sufficient to allow for these contingencies. In the county of York at the present time the total number is 625; this amendment will raise it to 800. In the county of Wentworth at the present time the total number is 270; this would raise it to 350. In other counties the total number is 180, that is the maximum number, and this would raise it to 225. It is felt that these maximums will allow for ample numbers of jurors.

THE LEGITIMACY ACT, 1961-1962

Hon. Mr. Roberts moves first reading of bill intituled The Legitimacy Act, 1961-1962.

Motion agreed to: first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill is based on the model uniform Act recommended by the conference of commissioners on uniformity of legislation in Canada and has already been enacted in British Columbia, Alberta and Saskatchewan. It will replace the present Legitimacy Act.

In the main it is a study by experts who have produced the document, the experts being headed by the dean of Osgoode law school and a sub-committee. It fills, I think, a very necessary position in our welfare legislation at the present time. It provides for devolution of property in relation to this problem, the position and status of a child born of a voidable marriage, and the position and status of a child born of a void marriage.

THE MASTER AND SERVANT ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Master and Servant Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, the purpose of this bill is to strengthen the Act by providing a more effective means of preventing employers leaving an area without first paying off their workmen. It applies to areas where itinerant labour is used and sometimes itinerant employers come in at harvest time and so forth on a sub-contract basis. These people can be summoned to police court, but in some cases they can get across the line and be away from the authorities altogether by the time of the hearing. This permits arrest in certain cases where that type of escape is anticipated.

THE MECHANICS' LIEN ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Mechanics' Lien Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this is a recommendation by the senior master to expedite the payment of money out of court and the surrender of bonds for such money as has been paid into or bonds deposited in court under The Mechanics' Lien Act.

THE POLICE ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Police Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill makes provision for the establishment of an Ontario Police Commission composed of three persons appointed by the Lieutenant-Governor in Council. It is the intention to make this commission as strong, as impartial and as qualified for its work as possible.

As stated in the Speech from the Throne, the expanding growth and economy of the province has brought many attendant problems in the administration of justice and law enforcement. With the anticipated continuing growth and expansion such a commission should play a very important role.

There have been indications that organized crime may be infiltrating into some parts of Canada from the United States, where they have been plagued with it for a long time. Every effort should be made to prevent any attempt to develop that sort of thing in this country and particularly in the fair province of Ontario. This bill should help substantially to meet any offensive of that nature.

There has been a very considerable enlargement and growth in the Ontario Provincial Police both in personnel and in duties in recent years and the end is certainly not yet in sight. The imposition at the top of our police organization in the province of an Ontario Police Commission such as is contemplated by this bill will, I am sure, constantly improve the ways and means of dealing with all the problems of law enforcement and the suppression of crime.

I look to this commission to initiate studies and plans to keep our police always in the forefront of this work. I have used the term braintrust. Certainly I think it will bring to bear on the subject a keenness of intellect, knowledge of the problems and alertness to deal with them which will be in keeping with the times in which we live.

This bill gives to the Ontario Police Commission wide powers to investigate, inquire into, and report upon any matter relating to the maintenance of law and order in Ontario. It will have all the powers and authority that may be conferred upon a person appointed under The Public Inquiries Act.

In addition to those very wide powers, it will also have general supervisory powers within the limits of the bill in connection with the administration of any police force, the police needs of any municipality, and the conduct of any member of the police in Ontario. In particular it will have the direction and control of the Ontario Provincial Police Force; and the commissioner of the Ontario Provincial Police Force will, subject to the direction of the Ontario Police Commission, have the general control and administration of the force and the employees connected therewith.

Where a municipality may request assistance of the provincial police, the commissioner may, with the approval of the Ontario Police Commission, provide such assistance as he deems necessary.

Mr. Speaker, I consider this bill an extremely important one. On second reading, it will be debated and I will have more to say at that time.

THE RECIPROCAL ENFORCEMENT OF MAINTENANCE ORDERS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Reciprocal Enforcement of Maintenance Orders Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, these amendments will remove the difficulties that now exist in some cases as to what is, and what is not, a court of superior jurisdiction and will enable the appropriate court in Ontario to be chosen in each case. This will facilitate the processing in Ontario of maintenance orders made by court in jurisdictions with which Ontario has reciprocal arrangements.

REGULATIONS OF ONTARIO, 1960

Hon. Mr. Roberts moves first reading of bill intituled An Act to Confirm The Revised Regulations of Ontario, 1960.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill confirms revised regulations of Ontario, 1960. The regulations and amendments made while the revised regulations were being prepared were also revised and republished in a special issue of the *Ontario Gazette*. These regulations are confirmed also.

THE SUMMARY CONVICTIONS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Summary Convictions Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this amendment will provide for the time of service of a re-issued summons being changed from 15 days to 21 days.

THE TRUSTEE ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to Amend The Trustee Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, at present a trustee is not chargeable for breach of trust by reason only of lending on insufficient security where the amount of the loan does not exceed 60 per cent of the value of the property. This percentage of the value of the property is increased to two-thirds of the value.

Subsection 2 provides that a trustee is not chargeable with breach of trust only by

reason of lending on mortgage security insured under The National Housing Act even though the amount of the loan exceeds two-thirds of the value of the property.

THE DENTISTRY ACT

Hon. M. B. Dymond (Minister of Health) moves first reading of bill intituled An Act to Amend The Dentistry Act.

Motion agreed to; first reading of the bill.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, the purpose of this amendment is to correct two printers' errors.

THE SANATORIA FOR CONSUMPTIVES ACT

Hon. Mr. Dymond moves first reading of bill intituled An Act to Amend The Sanatoria for Consumptives Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Dymond: The purpose of this amendment, Mr. Speaker, is to clarify the authority of the department to maintain and operate clinics in sanatoria for consumptives.

THE AIR POLLUTION CONTROL ACT

Hon. Mr. Dymond moves first reading of bill intituled An Act to Amend The Air Pollution Control Act.

Hon. Mr. Dymond: Mr. Speaker, this amendment will provide for the appointment of a committee to be known as the air pollution advisory committee. Its duty and function will be to consider and report upon air pollution matters to the Minister.

THE CANCER ACT

Hon. Mr. Dymond moves first reading of bill intituled An Act to Amend The Cancer Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Dymond: Mr. Speaker, the purpose of this amendment is to add two members to the board of the Cancer Institute. It is provided in the Act that a member from each of the teaching hospitals must sit on this board, and, since Wellesley Hospital has now become an independent hospital and a teaching hospital, this will provide for the appointment of a member on the institute

board to represent Wellesley Hospital. The second will be an additional member to represent the University of Toronto.

THE DEPARTMENT OF EDUCATION ACT

Hon. Mr. Robarts moves first reading of bill intituled An Act to Amend The Department of Education Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Robarts: Mr. Speaker, this bill provides for the registration and inspection of private schools in the province.

THE SCHOOLS ADMINISTRATION ACT

Hon. Mr. Robarts moves first reading of bill intituled An Act to Amend The Schools Administration Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Robarts: Mr. Speaker, this bill contains several amendments which I will go through. The first defines a county judge for the purposes of The Public School Act and The Separate School Act. The present definition applies only to The Secondary Schools and Boards of Education Acts.

The second is an amendment to one of the sections of the present Act which provides, where a child has been ordered to attend school, that he goes back to school five days after so ordered by a judge. We are removing the five days, so that he goes back immediately.

The third deals with when a child is convicted of truancy. Under the present section of the Act he must be charged under The Training Schools Act which has a fixed penalty of two years in a training school. This is a very rigid penalty, and it is so rigid that the judges sometimes fail to enforce it. What we are doing is giving to the judges in this case the benefit of the provisions of The Juvenile Delinquents Act, which contains a much greater variety of action which the judge may take in order to help the child rather than to just punish him.

The next section provides for the appointment of a school administrator by school boards where the average daily attendance is 1,000 or more.

The next section deals with the date upon which first meetings of newly elected boards are to be held.

The final section is a small section which was omitted at the time of the reprint of the statutes in 1960.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day I have a question for the hon. Attorney-General (Mr. Roberts), a question which I hope the Attorney-General has received. I sent it in yesterday in his absence.

The question relates simply to the problem of organized crime. In specific language, I asked yesterday whether or not the hon. Attorney-General will reconsider his position in respect to the appointment of a Royal commission to investigate organized crime in Ontario in view of the brutal murder in New York state two days ago of Mr. Alberto Agueci.

Hon. Mr. Roberts: Mr. Speaker, I take it the question is in *Hansard* already?

Mr. Wintermeyer: Mr. Speaker, no.

Hon. Mr. Roberts: The question, as I have it here is in substance what the hon. leader of the Opposition (Mr. Wintermeyer) has just said. Perhaps I had better read it though.

In view of the gangland murder in New York of a Canadian citizen by the name of Agueci, is the Attorney-General prepared now to recommend a Royal commission on the investigation of organized crime in Ontario?

That was the question as sent over to me.

My answer: where a crime of this nature is committed the first thing to be done is to obtain the facts and endeavour to solve it. When the facts are available—well, nobody better than some of my hon. friends across there know that there is a great distinction between suspicion and fact. . . .

Interjections by hon. members.

Mr. Speaker: Order.

Mr. MacDonald: Tempers are pretty short this year.

Mr. Speaker: I would point out to the hon. members that it is almost useless to ask a question of an hon. Minister and then not give the hon. Minister or any other member of the House a chance to reply.

Hon. Mr. Roberts: Thank you, Mr. Speaker. I do not worry too much about these people. When the facts are available then the authorities in the jurisdiction where the crime was said to have taken place no doubt will take appropriate action. In this case, if any inquiry is needed at all in our jurisdiction it would have to be in view of the international aspect at the national level. If it has to do with narcotics no doubt the R.C.M.P. will

be looking closely into all angles, and my answer is, No.

Mr. Wintermeyer: Mr. Speaker, may I ask a supplementary question? Is the hon. Attorney-General (Mr. Roberts) cognizant of the fact that the administration of justice by virtue of our Constitution is the exclusive jurisdiction of the Attorney-General?

Hon. Mr. Roberts: I do not think, Mr. Speaker, that I need to get into a school lesson at this time. The hon. leader of the Opposition (Mr. Wintermeyer) has surely got a better question than that by way of supplement.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to rise on a question of personal privilege arising out of an intemperate personal attack launched upon me as an individual, and to a lesser extent on my group, by the hon. member for Toronto St. George (Mr. Lawrence) in a speech given last night.

I may say that a report of his speech appears in substantially the same terms in the *Globe and Mail* of this morning and in the *Toronto Daily Star* of this afternoon. An account of it also appears in the *Toronto Telegram* but the specific canards directed towards me were not included in the *Toronto Telegram* story.

I think it should be noted, Mr. Speaker, that the hon. gentleman made quite an extensive speech in this House yesterday. He did not see fit to mention in this House, where he could be called to account, any of the matters which he raised or is reported to have raised in his speech last night. Instead he ran out to a spot where it was more difficult to keep track of him.

My first impulse, on reading the account of his speech, was to pay no attention to it because of its obvious irresponsibility. However, there are contained within it certain specific allegations which it seems to me, if not answered by myself, might be construed as having been assented to. I therefore wish to have the record straight on at least some of the more important points.

First of all, the hon. gentleman alleged that my campaign in the last election was paid for and that therefore I am beholden to "certain monied and vested interests"—as he called them—which he describes under the very vague heading of "union bosses." Mr. Speaker, I think that it is appropriate and in order for me to put on the record just what did happen with regard to the financing of my election campaign in Woodbine.

In that constituency in my campaign, slightly more than \$2,000 was spent on my behalf, of which \$400 was contributed to our provincial organization and the balance spent in the constituency.

The hon. gentleman, if he had been interested in facts, could have discovered these facts quite easily. The only contribution in excess of \$100 to that campaign was one made by myself in the amount of \$300.

There was one contribution from the political education committee of the Toronto and District Labour Council in the amount of \$100. All other contributions were made by individuals, and the vast majority of them were in the range of \$5 to \$25.

If there is any doubt in the mind of any hon. member about any of the facts that I have cited, I would suggest that the committee on privileges and elections be called together and that I be permitted to have the treasurer of my association, who was also my official agent, bring the books of the association before that committee and be examined under oath with regard to those books and all related matters. And if this procedure is to be adopted, Mr. Speaker, I would suggest that perhaps the hon. member for St. George (Mr. Lawrence) might see fit to do the same thing with respect to his own campaign.

Secondly, Mr. Speaker, it was alleged—

Mr. MacDonald: Of course, this is a laughing matter to the hon. members.

Mr. Bryden: For a gentleman who spent \$60,000 on a leadership campaign—

Mr. Speaker: Order. I would ask the member if it is a point of privilege to state his point of privilege.

Mr. Bryden: Well, Mr. Speaker, it would seem it is impossible for me to make myself clearer when specific allegations which are downright lies are made with respect to me. If that is not a question of privilege then I fail to understand the term.

The report goes on at great length. I will not by any means deal with all of it, but there is one other point in it that I would like to deal with and that is the—

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Are you admitting the rest is true?

Mr. Bryden: The rest of it is beneath contempt; I would suggest that the kind of gutter language used by the hon. gentleman could not be used in this House, and I presume

that is why he sneaked out of this House in order to use it.

The other point that I wish to refer to is the allegation that I and my associates should resign because the Co-operative Commonwealth Federation under whose banner we ran in the last election has now been merged into a larger party called the New Democratic Party and that we now carry on under that banner.

Mr. Speaker, this suggestion comes most inappropriately from a gentleman who belongs to a party which in the last 25 years has been known successively as the Liberal Conservative Party, The National Conservative Party, and the Progressive Conservative Party. If he has any precedents, as he claims, to back up his fatuous proposition he will perhaps be prepared to submit them for consideration to this House.

However, I will advise the hon. member that the people of my constituency—and this no doubt may come as a surprise to him as he considers his own personal situation—but in my constituency the people are fully informed as to what I stand for and what my position is on issues as they arise. I make it my business to make sure of that both through communications I send to them and by personal calls upon them.

I object, and I submit that, notwithstanding the levity shown by hon. members on the other side of the House who apparently have no conception of decency, such expressions as “the craven and cringing attitude” of an hon. member are most inappropriate for one hon. member to use with respect to another member in this House, especially when they are based on no facts whatsoever but on only his own feverish imagination.

This resort to unfounded personal vilification is an indication of the growing sense of desperation of the Tory party in this province.

Mr. Speaker: Since this is one of the first points of privilege this session, I would point out to the hon. members that I have allowed a lot of latitude in this particular case but will not do so in the future. The hon. member states his case and sits down and does it as briefly as possible.

Mr. A. F. Lawrence (St. George): **Mr. Speaker,** may I merely say that I was speaking to the hon. member for York South, (Mr. MacDonald) the leader of the party of the hon. member for Woodbine (Mr. Bryden), at great length this morning. I was over speaking to give the hon. member himself

an opportunity to speak to me, just before the session opened; nothing was forthcoming about the matter that he has now brought before the House—

Mr. Bryden: I am not afraid to speak in this House as the hon. member is.

Mr. Lawrence: Mr. Speaker, one of the points in my speech last night was the lack of courtesy of these hon. members.

Mr. MacDonald: On a question of order, Mr. Speaker.

Mr. Lawrence: May I merely say that it is usual, Mr. Speaker—

Mr. MacDonald: On a question of order, Mr. Speaker.

Mr. Speaker: Order!

Mr. Lawrence: —it is usual in these matters—

Mr. Speaker: Order! I would point out to the hon. member that we see here a result of lengthy explanations. The hon. member merely had to state that the allegations were untrue and so on, and resume his speech, and not to make a speech of a vitriolic nature, because we cannot settle points of order that way.

I have stated that on points of privilege we be as brief as possible. We will now pass on to the next order.

Mr. R. C. Edwards (Wentworth): I shall try not to make it lengthy, Mr. Speaker.

Before the orders of the day, I should like to direct a question to the hon. Minister of Municipal Affairs (Mr. Cass), notice of which he has already been given.

My question, sir, is this: is the hon. Minister aware of the failure of the Ontario Municipal Board to reach and render a decision in the dispute which has been referred to the board in the matter of transportation of 11 school children attending the Stirling School in Hamilton? These children have been absent from classes since the beginning of the present term and the dispute will not be settled by the parents and the board of education for the city of Hamilton until this decision is forthcoming. Would the hon. Minister give his assurance that he will order the board to make an immediate decision in order that these children will not suffer from the lack of instructions due to their absence from classes?

Hon. F. M. Cass (Minister of Municipal Affairs): Well, Mr. Speaker, I do wish to thank the hon. member for giving me notice, affording me that courtesy which has always been his practice in the past. I would like to say in answer to his first question that I was not, until I received this question, aware of the situation he mentions, and I am still, after careful investigation, not aware of any such circumstances as he points out. I would also say that I, in my short time as a Minister of the Crown, have found that there was neither desire nor authority in a Minister of the Crown to order an autonomous body set up to administer the laws and regulations of this province. I do not propose to exercise such authority and I do not believe that I have it.

May I say, Mr. Speaker, for the information of the hon. member that on or about September 8 of this year a petition was sent to the Municipal Board from certain persons in this area asking that some action be taken. It was not a proper or formal application to the board, but the board did send one of its members over to investigate the circumstances and on his return on or about November 13 a letter was written to the people who had preferred the petition asking whether they wished to prefer a formal application to the board which could perhaps be acted upon by the board. As yet there has been no answer to that.

So my answer also to the first question, Mr. Speaker, must be that there is no application pending before the board with respect to these matters.

Mr. R. C. Edwards: Mr. Speaker, would the hon. Minister permit a supplementary question? Does this matter differ from the ruling of the Ontario Municipal Board in an earlier case with the Hamilton Board of Education where a member of the board did order transportation for the students there?

Hon. Mr. Cass: Mr. Speaker, I might say that the original order in that case was made following supplementary application on the annexation order which was made. The annexation order in question here was made in 1959.

We have had the records searched and nothing was said at that time with respect to this particular matter. And apart from what the Municipal Board may say, if it is properly brought before them, I doubt very much the propriety of any board or tribunal requiring local authorities, two years after an annexation, to deal with such matters as these—

which are obviously the responsibility of the local educational authorities and the local council.

Mr. MacDonald: Mr. Speaker, before the orders of the day I would like to address a question to the hon. Attorney-General (Mr. Roberts) a copy of which he has had for a couple of days now.

In quashing the Fromovitz divorce recently, as reported in the papers of November 22, Mr. Justice Spence stated he believed that private investigators Jack Antura and Lucas Adelhard had given perjured evidence. In view of His Honour's observations and the hon. Attorney-General's vigour in seeking to put a stop to rigged divorce evidence, will the hon. Attorney-General indicate to the House whether his department is contemplating perjury action against the private investigators?

Hon. Mr. Roberts: Mr. Speaker, I was almost going to say the way that question was couched it would look as if my hon. friend expected me to give him a favourable answer. In any event, I will put the answer very factually.

A transcript of the evidence has been ordered. Mr. Elliot Pepper, Q.C., participated as Queen's Proctor in the second trial at the invitation of the trial judge, and his full report together with the transcripts of both trials, will be forwarded to the Crown Attorney of the county of York to consider the laying of charges.

Mr. Bryden: Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Minister of Labour (Mr. Warrender), a copy of which has been provided to you and him, sir, in the following form:

In view of the death yesterday of Luigi Trevisiol in a fall on a construction job, being the latest of a series of deaths occurring on construction work in Metro Toronto during the past year, will the hon. Minister indicate when adequate regulations will be adopted and enforced to ensure safe working conditions on construction work in Ontario?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, on receiving notice of this question I did look into the matter and I have here a report of Mr. R. F. French, who is the inspector for the Toronto Department of Buildings. I think I should read this because it is very illuminating.

The location of the tragedy, the accident, was 199 Roehampton Avenue. The super-

intendent was one Peter Friberg, the brick foreman Feareno Orsoleni, and the deceased Luigi Trevisiol. The inspector says:

I have made an inspection of the above property. A permit was issued under the above file number—that is 64888—to build an 11-storey apartment building. On Monday, November 27, 1961, at approximately 3:30 p.m., a bricklayer fell to his death from the ninth floor of the building.

This man, Luigi Trevisiol, was engaged in laying brick in the southwest corner of the building near a projecting balcony approximately five feet by 15 feet in size. Guard rails and kick planks were in evidence here prior to this accident. However, the above foreman, Feareno Orsoleni has informed me that the short kick plank and guard rail on the balcony at the east end were removed in order to string a line in preparation for the first course of brick work east of the balcony doorway. Luigi Trevisiol walked backward in setting this line and fell nine storeys to his death.

This job has ample protection throughout the building as guard rails and kick planks and steel cables are in evidence on all floors that are not enclosed in masonry.

The brick work is being carried on by the O. and M. Construction Company.

In addition, I looked into the background of the deceased, the late Mr. Trevisiol, and I find that he was employed by the O. and M. Construction Company at \$3.05 an hour as a bricklayer. One of his employers, a Merio Minetell, reports that the deceased was a good bricklayer. He had been employed with this company for eight months and he had worked on this particular job since the bricklaying started.

It is interesting to note that he fell from the ninth floor and he had worked on all the lower floors under identical circumstances. No reason can be given for the accident, I am told. It was put down as a sheer accident, a misadventure. To answer the latter part of the hon. member's question, may I say that it is going to be extremely difficult to draw adequate regulations to cover such situations as these where men, who are apparently competent in their chosen trade, walk backward off a balcony. On the other hand, every effort will be made, I assure him, to draw regulations—if we can so do—and statutes to cover these situations.

I have talked to experts in this field and they tell me it is extremely difficult, as it is with many situations in our society, to draw regulations and statutes to cover every

eventuality. However, arising out of the McAndrew report we shall do our best to devise something which we hope will adequately cover the situation.

Mr. Bryden: Just a supplementary question, Mr. Speaker. I would like to mention that the death of Mr. Trevisiol was by no means the only one that has occurred on construction in this city. Whether this was a sheer accident I am not prepared to say, but many of the others were certainly not. Under those circumstances, Mr. Speaker, I would like to ask the hon. Minister (Mr. Warrender) if he does not think that with human life at stake a greater sense of urgency is required than he has indicated in his previous answer.

Hon. Mr. Warrender: I will answer the question at a later time, Mr. Speaker.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, with regard to the question, I know that the hon. Minister (Mr. Warrender) must feel very deeply about the number of accidents that have happened, particularly in construction work. Apart from drawing up regulations has he plans, as a new hon. Minister, to see that these regulations not only will be enforced but will be interpreted to the men on the job?

Hon. Mr. Warrender: That is a pretty broad question, Mr. Speaker. I hope to be able to devise some regulations which will be adequate. So far as having them enforced and having someone enforcing them, I cannot say. The fact is, if one examines these many thousands of situations across the province, one will realize that in order to have these perfectly supervised we would have to have an inspector for probably every workman who was on the job.

However, I am concerned about these losses of life in the construction industry and in other parts of the industry in Ontario, and we shall try to do the best we can to devise something which will help to meet the situation.

Mr. Thompson: May I ask a supplementary question to that? Has the hon. Minister (Mr. Warrender) read the report on safety, and has he read the part that says:

The commission recommends that with the large influx of employees not conversant with English, it is desirable that brochures describing the legislation administered and services provided by the department be printed in French, Italian and Ukrainian.

Hon. Mr. Warrender: I have read the whole McAndrew report several times, Mr. Speaker, and I am quite . . .

Mr. Thompson: And has he made up his mind to follow through on this?

Hon. Mr. Warrender: I have made up my mind about several things which will be presented to the House in due course.

Mr. Thompson: That is an improvement.

Hon. Mr. Warrender: Thanks very much. I knew the hon. member's question was loaded.

Mr. Thompson: It was not loaded.

Mr. R. J. Boyer (Muskoka): Mr. Speaker, may I be permitted in the House this afternoon to take note of the death, quite unexpectedly, of a young Ontario man, who had made a great name for himself in music internationally—James Milligan, who at 33 years of age died suddenly yesterday in Switzerland.

Jim Milligan, who was a bass-baritone singer, studied at the Royal Conservatory of Music of Toronto and in 1955 won the Grand Award at the International Musical Festival at Geneva. He was the first Canadian ever to do so and in that year he was in competition with 343 other singers.

Following this outstanding achievement he was given a civic reception and dinner in the town of Huntsville where he lived, in the District of Muskoka, and at that time members of this House came to that dinner to extend to him the best wishes of the government and people of Ontario on his accomplishments.

Subsequently Mr. Milligan sang with the Glynbourne Opera Company in England. He gave recitals over the British Broadcasting Corporation networks and had taken a leading part in the opera company at Covent Garden. He had also sung as soloist with the Toronto Mendelssohn Choir and the Toronto Symphony Orchestra, his last appearance in Toronto having been last year.

Mr. Speaker, since this young man came from Muskoka, the son of the late Rev. Frank Milligan, who was a great friend of mine, and of Mrs. Milligan who also subsequently died, I would express to Mrs. Jim Milligan and their little son, to his brother Frank Milligan, of Ottawa, and the sisters of Jim Milligan, the sympathy of the members of this House

on the sudden and unexpected passing of this very noted man from Ontario.

Mr. Speaker: Orders of the day.

THE ONTARIO PARKS INTEGRATION BOARD ACT

Hon. R. W. Macaulay (Minister of Energy Resources) moves second reading of Bill No. 6, An Act to Amend The Ontario Parks Integration Board Act.

Motion agreed to; second reading of the bill.

THE CONSERVATION AUTHORITIES ACT

Hon. Mr. Macaulay moves second reading of Bill No. 7, An Act to Amend The Conservation Authorities Act.

Motion agreed to; second reading of the bill.

THE PARKS ASSISTANCE ACT

Hon. Mr. Macaulay moves second reading of Bill No. 8, An Act to Amend The Parks Assistance Act.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, the reason we are not presenting Bill No. 5 today is because it has not yet come down from the printer and these Bills No. 6, 7 and 8 are all part of it. But I would move second reading of Bill No. 8 and we will move second reading of Bill No. 5 and have some discussion on it I hope on Thursday, or as soon as it is here.

Motion agreed to; second reading of the bill.

THE PROVINCIAL PARKS ACT

Hon. J. W. Spooner (Minister of Lands and Forests) moves second reading of Bill No. 9, An Act to Amend The Provincial Parks Act.

Motion agreed to; second reading of the bill.

THE FOREST FIRES PREVENTION ACT

Hon. Mr. Spooner moves second reading of Bill No. 10, An Act to Amend The Forest Fires Prevention Act.

Motion agreed to; second reading of the bill.

THE FORESTRY ACT

Hon. Mr. Spooner moves second reading of Bill No. 11, An Act to Amend The Forestry Act.

Motion agreed to; second reading of the bill.

Hon. J. P. Robarts (Prime Minister): It had been my intention as the hon. Minister from Riverdale (Mr. Macaulay) has said, to go on with the debate on the second reading of Bill No. 5, but unfortunately that bill has not come back from the printer and that completes the business that we have on the order paper.

In moving adjournment of the House, we will resume the Throne Debate tomorrow.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 4.50 o'clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Wednesday, November 29, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, NOVEMBER 29, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the Bridge View Public School, Welland Junction, in the west gallery.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petition has been received:

Of the corporation of the city of Ottawa praying that an Act may pass authorizing the necessary action for a re-development proposal for part of the city of Ottawa; and for other purposes.

Mr. Speaker: Presenting reports by committees.

Motions.

Introduction of bills.

Hon. R. W. Macaulay (Minister of Energy Resources): **Mr. Speaker,** before the orders of the day, I would like to make a statement to the House relating to a matter affecting my Department of Energy Resources and concerning something which I think is of great importance, particularly to those who live in the Niagara peninsula.

There has been a great deal of concern expressed by citizens, interested groups and newspapers in this province over the water levels in the Niagara River. I therefore wish to make a statement of government policy affecting it.

Mr. Speaker, it is the view of this government that the beauty of Niagara Falls is of great importance and that this government will not allow any of its agencies to undertake any action that would be detrimental to the Niagara Falls area.

With all regard for the vital importance of power to homes and industries, municipal and co-operative organizations; the beauty of the Niagara Falls, and area, comes first. This has long been a matter of great concern to

this government and Ontario Hydro, and this has been the policy that they have followed in the past and follow today.

For the benefit of the hon. members, I would like to briefly recapitulate the history of the Niagara Falls diversions.

The first Niagara Falls diversion was authorized by the Boundary Water Treaty of 1909. This treaty provided for the procedures to be used in settling boundary water disputes including the formation of an international joint commission.

Article V of this treaty authorized and permitted the following diversion of water for power at Niagara: Canada 36,000 cubic feet a second; United States 20,000 cubic feet a second.

Despite the apparent disparity, the benefits to each country were almost equal as blocks of power at that time were exported to the U.S.

In 1926 a special board was formed by Canada and the United States to study the Niagara Falls. Both governments and the province of Ontario, and Ontario Hydro were concerned with the recession of the falls through erosion and the need for additional low cost power.

The board after a thorough study reported in 1929 and recommended the construction of certain remedial works, weirs and excavations near the crest of the falls to spread the water to the flanks, and also the construction of a submerged weir in the Grass Island pool.

As a result of these works and in conjunction with them, the board felt that greater amounts of water could be diverted for the generation of power.

In 1940, by an exchange of notes between the U.S. and Canada, Ontario Hydro was allowed to divert an additional 5,000 cubic feet a second at Niagara as a result of the Longlac and Ogoki diversions.

These were rivers and lakes north of what hon. members would call the divide, north of Lake Superior, which normally ran north to the Albany and other rivers into Hudson Bay. They were in effect dammed at the far end and rather than running north into Hudson Bay were diverted so that they flowed

back into Lake Superior. The total amount of water which flowed back south instead of flowing north by nature, amounted to about 5,000 cubic feet per second and therefore the Canadian authorities were enabled to withdraw the first 5,000 cubic feet per second at the Niagara Falls diversion and the balance was divided in half.

The Longlac and Ogoki diversions, I would remind hon. members, are but one example of the great many efforts made by Ontario Hydro to maintain the water levels of our Great Lakes system.

During the war emergency, additional temporary diversions were authorized through an exchange of notes between the U.S. and Canadian governments.

In conjunction with the above temporary increase in diversion it was agreed that construction of the remedial works recommended by the special board in 1929 be undertaken. Construction started in 1942, was completed in 1944 by Ontario Hydro.

A treaty was concluded between Canada and the United States in 1950 concerning the diversion of the Niagara River. The objectives of the treaty were to preserve and enhance the falls and at the same time to make most efficient use of the waters of the river for power generation. It was recognized that a knowledge of the diversion to be permitted was necessary before redevelopment of Niagara could take place.

The 1950 treaty superseded the 1909 Boundary Waters Treaty insofar as diversions at Niagara for power purposes were concerned. The additional diversions were contingent upon the construction of remedial works in accordance with the objectives of the 1929 special board report and of the nature and design as recommended by the international joint commission and as approved by the two governments. The treaty perpetuated the additional 5,000 cubic feet per second for Canada from the Longlac-Ogoki diversion, by indicating in article III that this water would continue to be governed by the earlier exchange of notes and would not be included in the allocations of the treaty.

Rather than stipulating allowable diversion for power purposes, the 1950 treaty stipulated minimum flows over the falls in prescribed periods, the remainder being available for power purposes.

In this regard the treaty provides:

During the non-tourist season, that is from November 1 to March 31, 50,000 cubic feet per second must flow over the falls;

During the tourist season from April 1 to September 15, from 8.00 in the morning to 10.00 at night there must be 100,000 cubic feet per second and from 10.00 at night till 8.00 the next morning 50,000 cubic feet per second;

From September 16 to October 31 from 8.00 in the morning till 8.00 at night 100,000 cubic feet must flow over the falls and from 8.00 at night till 8.00 the next morning 50,000 cubic feet per second must flow over the falls.

Mr. E. W. Sopha (Sudbury): May I ask the hon. Minister (Mr. Macaulay) if he would write a letter and send that all to us so we can hear the hon. leader of the Opposition (Mr. Wintermeyer) this afternoon?

On a matter of privilege, if the intention is to prevent the hon. leader of the Opposition from reaching the afternoon newspapers, then the hon. Minister is doing it very effectively, in contempt of our rights on this side of the House. As a private member I object most strenuously to his conduct. He could send all that to us. We would all be very interested in it and we could read it at our leisure.

Hon. Mr. Macaulay: I would say to the hon. member who has spoken (Mr. Sopha), I would say to the Speaker and thus to the hon. member who has spoken, that this is a matter of very great concern to the people affected by it and that I intend to continue because they have pressed for a statement of government policy on this matter and this is the first occasion I have had the opportunity of assembling this material.

As the hon. members will recall, the present regulations regarding the flow over the falls were drawn up in 1950 and were based to a considerable extent on a report dated 1929. Since then notable improvements have been effected in recent years by the remedial works.

The demands for power production and the demands for viewing the falls are not incompatible. During the winter season the power requirements are highest, while relatively few persons are on hand to view the falls. Conversely, during the summer vacation period, power loads are at a low ebb and visitors to Niagara Falls are numerous. Similar situations exist on weekends and statutory holidays. There appears to be an opportunity to enhance power production during periods when few persons are viewing the falls.

The two power entities have made an application to the international joint com-

mission for revisions to the 1950 treaty, requesting that the present 100,000 cubic feet per second flow requirements be reduced to about 70,000 cubic feet per second, and that the time requirements for this higher flow be reduced.

It is again emphasized, however, that these changes should be made only if they in no way detract from the scenic beauty of the falls as a tourist attraction. The additional water made available to Ontario Hydro would effect large savings in power production costs, and at the same time increase water rentals to the province. It is estimated that the savings to Ontario Hydro, on the basis as outlined herein, will be of the order of \$3 million per year, using existing power generating facilities, and that the water rentals payable to the province would be increased by approximately \$200,000 per year.

If subsequent studies indicated that the expansion of existing generating facilities at Queenston could be economic, the savings to Ontario Hydro would be two to three times as much, and there would be a corresponding increase in water rentals.

Recently much agitation has arisen on both sides of the river at Niagara Falls because of the levels of the water above and below the falls.

There are three factors affecting the levels of the water at this time:

The natural flow of the Niagara River is lower now than it was this time last year, and therefore obviously the roar of the falls is diminished and the level of the water is down;

Now for the first time, the New York Power Authority is beginning to take its full share of the water under the 1950 treaty and this affects the level of the waters;

The waters which the New York Power Authority are now taking from above the falls they are not dumping into the Maid of the Mist Pool but instead are dumping below the whirlpool at Queenston and therefore the Maid of the Mist Pool is considerably more reduced than it would have been under the old American method of taking the water from above the falls and dumping it into the Maid of the Mist Pool.

The flow in the Niagara River is a tremendous variable ranging from less than 100,000 cubic feet a second to over 300,000 cubic feet a second and there have been occasions when no water has gone over the falls at all. This is due to a number of factors the most important of which is the depth of lake area. It is shaped like a shallow saucer and when there is barometric pressure at one end stronger than at another, the water may be

pushed to the westerly end of the lake, thus leaving the easterly end almost or in fact dry. The water can on occasion rise at the westerly end over ten feet with a large drop at the easterly end.

The policy of the government of Ontario in relation to Niagara Falls remains steadfast. Niagara Falls is one of the modern wonders of the world, and its beauty is renowned.

Now I would say to the hon. members opposite they may not be interested in this, but *Hansard* is going to read very interestingly when they are finished heckling the government's opportunities and policy in this matter.

The surrounding municipalities and residents have spent hundreds of millions of dollars developing the Niagara area centred around the falls and its beauty. The government of Ontario, through its Niagara parks commission, Department of Highways and Department of Travel and Publicity and other agencies have spent millions of dollars relating to the beauty of the falls.

The beauty of the falls cannot be re-created anywhere else and can only be maintained if there is sufficient water. Electrical energy, on the other hand, can be created elsewhere, and therefore the government is determined to see that the relative interests in these matters are properly in balance and that nothing is done to the extent that it is possible on behalf of this government to mar the beauty of the falls and the area surrounding it.

I would conclude by reiterating that the government of Ontario considers pure water and the conservation of our water resources and availability to them, to be a matter of the greatest concern as a provincial policy, and it will continue as our policy that the beauty of the Niagara Falls be not impaired.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, before the orders of the day, I have a question that I would like to submit to the hon. Prime Minister (Mr. Robarts), which I have cleared with all the requirements that are asked.

Interjections by hon. members.

Mr. Speaker: Order! I would ask the members of this House to pay attention to the members as they rise to their feet and speak. It is not only showing disrespect to the member speaking but it shows disrespect to the entire House when the House is disorderly.

Mr. Belanger: Mr. Speaker, the question I have submitted is this: In the Windsor *Star* issue of Friday, November 24, there is a

story concerning the new secondary school programme announced earlier this year by the hon. Prime Minister.

Dr. Harry Pullen, deputy business administrator for the Ottawa Collegiate Institute Board told delegates to the Ontario conference on education who were meeting in the city of Windsor, that the new programme was "hastily conceived and prematurely announced," and that "those who had to live with the plan had nothing to do with its conception."

I have four questions to ask the hon. Prime Minister, who is also the hon. Minister of Education: were the superintendents, directors of education, head masters or teachers' confederation consulted before the adoption of the programme?

Secondly, if so, what groups were consulted?

Third, what provision has The Department of Education made to staff these new technical training schools and fourth, how many boards of education have made application to establish and increase their technical classes?

Hon. J. P. Robarts (Prime Minister and Minister of Education): Mr. Speaker, first of all I would say in regard to this question that whenever anything new is introduced, particularly in the field of education, it is bound to attract a certain amount of criticism. I think we are all aware of this and with this we have to live.

In answer to the specific questions, I would say that I can give the hon. member a chronological history of what has been done as far as consultation is concerned.

In the first place a meeting of the directors of education for the province of Ontario was held at the Ryerson Institute of Technology on June 2, 1961. At this meeting Dr. S. D. Rendall, who is the Superintendent of Secondary Education in the Department, gave a forecast of the general re-organization which was under consideration at that time.

Secondly, a Secondary School Inspectors' conference was held at Ryerson Institute of Technology, to which Mr. S. G. B. Robinson, general secretary of the Ontario Secondary School Teachers' Federation, was invited—and this was held on June 13, 14 and 15, 1961. This conference discussed the means of implementing the re-organization in secondary schools in the light of the federal-provincial agreements.

The federal-provincial agreement was signed on June 26, 1961, and a directive from the Premier of the province that the necessary arrangements for implementation of the agreement should be made was issued at that time.

On August 18, 1961, Dr. Rendall spoke to the Ontario secondary school headmasters at their meeting in Kingston, concerning this class.

A secondary school inspectors' conference was held at Ryerson Institute of Technology, at which superintendents of secondary schools in all municipalities were invited to discuss and make suggestions regarding the new plan and these meetings were held on August 28, 29, 30, 31, 1961. That was a four-day conference.

At that time, Dr. Rendall emphasized that this plan was not so much a new departure in secondary education as a shift in emphasis—greater emphasis upon commercial and technical training for employment—and that only one new feature had not been tried experimentally in schools in Ontario, namely, the four-year programme in the arts and science branch.

On September 13 Dr. Rendall met with representatives of the Registered Nurses' Association and executive of home and school associations of the province.

The Minister of Education's provincial advisory committee, representative of the leaders in business, industry and labour met on September 21, 1961, to advise the Minister of Education regarding implementation of the federal-provincial agreement.

Two meetings with the communications committee of the Ontario Secondary School Teachers' Federation were held on October 12 and November 7, 1961 and a third meeting with this committee is expected before the Christmas vacation.

During October and the first week of November, conferences and discussions were held between university officials and representatives of The Department of Education at the University of Toronto, the University of Western Ontario, McMaster University, the University of Waterloo, Waterloo University College, the Ontario Agricultural College, the Ontario Veterinary College, and Macdonald Institute at Guelph, Assumption University of Windsor, the University of Ottawa, Carleton University, and York University.

A discussion of the plan at the meeting of municipal superintendents of secondary schools took place at Vineland on November 3, 1961.

A meeting was held with the executive of the Catholic Parent-Teachers Association on November 6, 1961.

The plan was discussed at a conference of the Ontario Federation of Agriculture on November 7, 1961.

At each of these meetings and conferences which I have mentioned, the revised programmes in secondary education were explained, questions were answered, comments were invited in oral form or in written submission to the department.

Full consultation with the teachers of the province and the Ontario Secondary School Teachers' Federation was initiated in September as soon as the teachers were available for discussion and it is still being carried on. Useful comments and suggestions will be welcomed in the Department from any group or organization familiar with the operation of secondary schools until the end of December, when tentative courses and plans must be mimeographed for issue to the schools on an experimental basis.

That answers the first part of the question of the hon. member for Windsor-Sandwich (Mr. Belanger), in detailing who was consulted. I might say just before I leave that portion of the question that the programme is a five-year programme and at the present time we are working only on the first year of that programme. Therefore, we will develop the programme as it becomes necessary. There is no reason for us now, for instance, to settle finally what is going to happen in a course which will not be taken for two or three years. Thus as time goes along we will consult with all interested parties as I have indicated here in order that we may have their views and their views may be expressed upon what we are doing.

The third part of the question is what provision has been made to staff the new technical training schools. Well, what we have done there: it was necessary to take people out of industry in order to train them as teachers to teach in these schools. This means that we had to appeal to a different group than normally goes into teaching, i.e., these were people who were established in their own communities, had jobs and homes and families and so on.

So what have we done: we instituted a one-year course and we undertook to pay the tuition fee for this group and pay them a \$30 a week living allowance while they were at the Ontario College of Education. Unfortunately, I do not have the exact number that we attracted into this course, but I can tell hon. members that we ended up by refusing admission to certain applicants because we had more than were required for what we considered to be the immediate needs of the school system.

The final question is, how many boards of education have made application to establish

or increase their technical classes. Well, the procedure by which a school board takes advantage of the scheme which we have established is that they submit their plans to us in the department, we process them in the normal course of events and then we send them in to Ottawa for approval as to whether Ottawa will approve them for grants. To date we have received applications from approximately 175 school boards to create greater or lesser facilities for teaching of technical subjects. Of the 175, 118 are at the sketch plan stage and submitted to Ottawa, then they have to come back here and the sketch plans drawn and final approval is given in the department here.

Mr. Belanger: Thank you, Mr. Speaker.

Mr. L. Troy (Nipissing): Mr. Speaker, just one short question. Does the hon. Minister of Education (Mr. Robarts) think he has answered that first question? Because the plan was in operation and they never told the teachers what they were going to do, when it was announced in the press.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, at the outset of this debate, I wish to pay my respects to you as the guardian of the rights of the hon. members of this chamber. You are the custodian of a tradition that is the foundation of parliamentary government; namely, the right of the Opposition to be heard in criticism of the government of the day. It is this right to criticize without being treasonable that gives democratic government the strength to endure and the flexibility to progress. I am confident that you will bring distinction to your office again this session.

I want also at this time to say a few words about the new hon. Prime Minister (Mr. Robarts) and his government. I say a few words deliberately despite the numbers on the treasury benches opposite. An individual salute would take altogether too much time on this occasion, and there will be an opportunity as the session progresses to greet each of the hon. Ministers with affection and thoroughness when they come before us with their estimates.

I had the opportunity to greet the new hon. Prime Minister at the opening and I extend my felicitations to him again. I want also to say a word of greeting to the new hon. members of the government. I congratulate the

hon. member for Middlesex North (Mr. Stewart) on his promotion to the portfolio of Agriculture. Being a farmer, he might have been excused for declining a position that is surrounded by so many problems. It is to his credit that knowing what is ahead of him he has accepted such an onerous task.

I also want to extend my best wishes to the hon. member for Ottawa South (Mr. Haskett) who only lately moved from the government rump to the treasury benches to assume the task of reforming our reform institutions.

Congratulations are also in order for the hon. member for Huron (Mr. MacNaughton), whose abilities have been recognized and whose talents will undoubtedly be employed more specifically in the future.

I would be remiss if I did not mention the hon. member for St. Andrew (Mr. Grossman) and congratulate him on his appointment to one of the better patronized agencies of this government. Many of us assumed that his good spirits in this chamber were 100 per cent effervescent but it seems now we will have to accept controlled reading of 70 per cent proof.

To the hon. members for Kingston (Mr. Nickle) and for Lincoln (Mr. Daley) let me say that it is a pleasure to see them in their places opposite. I must be careful here, Mr. Speaker, because while they put aside some of the burdens and cares of office, they still look too formidable for flattery.

I do hope, Mr. Speaker, that the remaining hon. members opposite will not be too disappointed if I omit them today from my catalogue of reference. As I said earlier, I shall be pleased to bring them greetings on another day.

Mr. Speaker, the mover and the seconder of the Speech from the Throne, the hon. member for St. George (Mr. Lawrence) and the hon. member for Renfrew North (Mr. Hamilton) did well. In the normal course of events I would be expected to point out the narrowness of their approach and the errors of their judgment on the matters contained in His Honour's address. Today I do not propose to do so in traditional fashion.

Today I intend to devote my remarks to the existence of organized crime in Ontario, a fact which makes it imperative that this government establish a Royal commission to expose all aspects of organized criminal activity in our province so that those involved may be brought to justice.

I shall demonstrate that organized crime

does exist in Ontario, that it is widespread in Ontario, that it has international connections, and that it has contaminated law enforcement and is a clear and present danger to our society.

I also intend to demonstrate that an unrestricted Royal commission headed by a Supreme Court Justice, supported by a vigorous and determined counsel and a staff of trained investigators is the only adequate way to meet the threat posed by organized crime.

I should explain at this point two things. Firstly, I shall not discuss this afternoon a number of important matters that relate to the welfare of Ontario's schools, farms, municipalities, labour-management relations and financial problems. I recognize their importance and will deal with all of them in later debates. Today, however, I am going to concentrate on the subject of organized crime because I believe it to be of great importance and little understood.

Secondly, at the conclusion of my speech, I shall move the traditional want-of-confidence motion, and this motion will encompass many issues which will be discussed by other members of my party as the debate progresses.

I do not intend, however, to include in this want-of-confidence motion a clause dealing with the appointment of a Royal commission. I am leaving it out deliberately because a want-of-confidence motion requires that the government supporters defeat it or cause the government to be dissolved. I do not wish to put any technical block in the establishment of a Royal commission by forcing the government to rely on technicalities.

I intend this speech, Mr. Speaker, to be a direct appeal to the new hon. Prime Minister and to the new government to appoint a Royal commission. It is a direct appeal stripped of all technical artifice and made directly to the common sense and conscience of the hon. gentlemen opposite.

Mr. Speaker, let me begin by outlining what is meant by organized crime, how it operates, what are its characteristics, its extent in Ontario and the scope of the threat it poses to the people of Ontario.

To begin, Mr. Speaker, we can do no better than to refer to the report of the New York Commission of Investigation which was published last February under the title "Syndicated Gambling in New York State." That report was but a summary for the information of the public of a most intensive investigation begun by the commission as a result

of its initial hearings on the now famous gathering of the underworld at Apalachin, New York, on November 14, 1957.

Over 25,000 pages of report and documentary materials were amassed during the investigation. Many raids and arrests were made. Thousands of pages of testimony were recorded in public and private hearings in a number of centres. Widespread corruption and lax law enforcement was uncovered. Specific remedial legislation was proposed, and perhaps most important of all in the commission's view, there was assembled and distributed to the appropriate authorities a tremendous volume of detailed criminal intelligence. In all, some 2,150 references to gamblers or gambling operations were transmitted to 54 of New York's 62 counties, and confidential mailings were sent to 206 cities, towns and villages within 54 counties.

The New York State commission, Mr. Speaker, was a creature of the state Legislature and had no national responsibility. It did, nevertheless, produce clear-cut evidence that crime is national and international in its scope.

On page 82 of its report the Commission said:

Simply stated organized crime is what the term implies. It is the activity of a group of persons working together with the express purpose of more effectively accomplishing criminal acts against society. By organizing, criminals are able to secure greater immunity from the law, a wider field of operations, a monopolistic control over specific types of criminal, and, of course, greater profits.

And I continue to quote:

The emergence and development during the past 20 years of criminal syndicates extending through our entire country is recognized by criminologists as the most prominent and the most threatening and the least understood of our national crime problem.

How does organized crime operate?

The New York State commission found, Mr. Speaker, organized crime and syndicated gambling to be synonymous. The report states, and I quote:

Gambling is the heartbeat of organized crime both on a local and national scale. The main font of organized criminal power today flows from three sources: professional gambling, labour racketeering and narcotics. Easily the most profitable

to the underworld, and the most corrupting of the three and thus the most dangerous to society, is professional gambling.

The commission describes the mechanics of professional gambling in considerable detail, and it may be helpful to the House to have a summary of the main points. Basically there are four stages to the operation: the handbook, the bookmaker, the bookmaker's bookmaker or lay-off, and the syndicate.

The handbook is the street agent or runner of the bookmaker. He is in direct contact with the bettor. He is paid on a commission basis ranging from 25 to 50 per cent of the bettor's losses. He is the man most often arrested and charged for illegal gambling and it is part of his job to accept arrest to protect his superiors, who in turn provide bail, pay legal fees and other expenses.

The bookmaker is the street runner's boss. He also deals with customers on the telephone. He requires an established location, usually a small business such as a cigar store, restaurant, pool hall or dry cleaning plant which serves as a cover or front for his illegal activities. He is thus known as the front end of professional gambling. In larger centres the bookmaker tends to take up his business in an apartment or other private place, where he can maintain a battery of telephones, usually in fictitious names and nominee accounts, a shortwave radio and personnel to record bets and results.

The bookmaker's bookmaker or lay-off man does not deal with the general public. He deals with bookmakers and in large amounts of money. He is the bookmaker's banker as well as his insurance agent, supplying him with capital and credit, accepting bets which the bookmaker cannot handle, and placing lay-off bets for bookmakers whose own books have become unbalanced. He is thus known as the back-end in professional gambling.

The syndicate is the central clearing house for the lay-off points. It is to the syndicate that the lay-off men all over the continent turn when their own books threaten to become unbalanced. The syndicate operates on the same margin as the handbook except that its tremendous volume increases its profits accordingly.

The syndicate is vital to the whole system. It is the means whereby professional gamblers make a profit regardless of the outcome of any particular event on which bets are placed.

Suppose, for example, there is a horse running at New Woodbine at odds of 60 to 1

and a bookmaker in San Francisco finds he has some \$25,000 bet on that horse. Few bookmakers handle enough daily action to pay up \$1,500,000 if the horse wins and still retain a profit from bets on losing horses. To ensure a profit, Mr. Speaker, the bookmaker limits the odds at which he will pay off and he himself bets with his lay-off men such amounts as may be necessary to keep his book in balance and show a profit.

The lay-off man is in precisely the same position as the bookmaker. He must balance his book to show a profit and he does this by placing balancing bets with the syndicate. The syndicate then turns to the race track itself.

A syndicate agent entrusted with huge amounts of money is stationed at the principal race tracks. He is in constant touch, either by open telephone line or other means, with syndicate headquarters. Before each important race he is given instructions. If the combine has received what it regards as excessive bets on a particular horse the agent will be directed to put through the pari-mutuel machines enough money on the horse to lower the odds sufficiently to protect the syndicate edge. That is why there is frequently such a radical change in track odds just before post time. Thus it is that ironically those who bet with professional gamblers end up by betting against themselves.

The New York State commission declared, and I quote:

No bookmaker works alone. He has to traffic with his fellow bookmakers. Thus there is an unbroken chain of communication from the first to the last bookmaker.

The professional gambler's profit depends on the odds he himself sets and, secondly, on the fact he does not have to pay any state percentage tax or deduction from his handle.

The commission found that part of every \$2.00 bet with a bookie is likely to end up in the pockets of the syndicate and therefore in the pockets of a criminal.

On page 49 of its report it states, and I quote:

An upstate farmer living ten miles from the nearest village is likely to place a bet on a football game in California, a hockey game in Canada, or perhaps a boxing match in Europe and the money with which the farmer pays off his losses may possibly wind up in the pockets of a Florida combine. Such is the geographical character of bookmaking in the United States today.

On page 20 of the report the commission said:

New York State crime commission found 2,000 people in an area of 5 million people or one bookmaker for every 2,500 people. The average bookmaking establishment employed ten people.

On page 21 it said:

The total gross volume of bookmaking in central New York State during 1959 could be said to have reached \$500 million with a net profit to the bookmaking operations of not less than \$50 million.

Throughout the United States in 1960, it was estimated by Milton Wessel, a special counsel for federal rackets inquiry, that \$45 billion was bet through bookmakers in the syndicate, or more than the total amount spent for defence and more than three times as much as was spent for education in the United States. Profits to the syndicate were \$9 billion.

A King county jury in New York in February, 1959, said:

Actually if you scratch the professional operator of gambling ventures you will find the narcotic pedlar, the loan shark, the dice game operator, the white slaver, and even the murderer.

The commission found that the appetite of organized crime for money is insatiable. The lengths to which organized crime will go to pyramid its profits are endless.

The report stated:

Organized crime invests its gambling profits in other criminal ventures. In this fashion the underworld protects itself against any shift in approach towards gambling causing a stoppage of all income. Gambling revenues are used to pay for murders and other acts of violence, to underwrite labour racketeers, to corrupt the public official, to erect the still, to obtain fire arms unlawfully, to purchase contraband drugs, to pave the way for the introduction of prostitution, to finance the Shylock.

On page 52, the report continues and I continue to quote:

Both big and little bookmakers diligently attempt to corrupt the police officer, other public officials and the politician, in an effort to protect their gains and align themselves with the respectable elements in society. In every way bookmakers seek to enlarge and extend their illegitimate business, their power and their influence.

On page 95, the report said:

The really successful gambling operation, ever anxious to guard a good thing, does not content itself with merely enlisting the co-operation of the patrolman, the gambling squad and the precinct captain. Where possible the gambler will reach into the very highest levels of government to secure protection against all possible contingencies. To the gambler bribe money is as much a part of the overhead as the electric bill.

On page 111, the report reads:

If bribery should fail the hoodlum and racketeer will revert to such traditional methods as extortion, beating and even killing. So large are the profits of illegal gambling that a substantial portion can be siphoned off into legitimate business.

Senator Estes Kefauver, chairman of the U.S. Senate crime commission has said, and I quote:

Evidence was shown of criminal influence invading about fifty fields of endeavour, including advertising, amusements, automobile industry, banking, professional sports, communication industry, food, the garment industry, the hotel, insurance, and liquor industry, news services, newspapers, radio, television stations, steel, transportation and many, many others.

This then is the dreadful reality of organized crime.

The New York State report continued:

We can no longer afford the luxury of ignoring the menace of professional gambling. Without drastic changes in attitude and activity, organized crime may eventually undermine the structure of large segments of society.

Senator John Kennedy, now President Kennedy, has said:

In the modern criminal underworld we face a nation-wide, highly organized and highly effective enemy.

Governor Nelson Rockefeller of New York State in the message to the Legislature in 1960 said:

Illegal gambling is a serious cancer in our society. It is unquestionably a principal source of revenue for organized crime.

Some leading Canadians have agreed with Governor Rockefeller and President Kennedy. In October of 1961 the Honourable Davie Fulton, Minister of Justice, told the Inter-

national Association of Police Chiefs in Montreal:

There are a number of organized crime syndicates operating in Canada.

Commissioner Harvison of the R.C.M.P. in his last annual report declared:

Canada is presenting an increasingly attractive target for organized crime.

The Commissioner stated his position more fully in a recent Toronto speech in which he said:

The American syndicates are showing an increasing interest in Canada and are moving to take over direct control of the existing crime organizations and to expand their criminal activities.

But the hon. Attorney-General of Ontario (Mr. Roberts) has steadfastly insisted over a long period that there is no organized crime in this province. On April 17, 1961, the hon. Attorney-General was reported by the *Toronto Daily Star*—

Hon. A. K. Roberts (Attorney-General): I wonder if the hon. member (Mr. Wintermeyer) would allow me to interrupt him a moment. He is quoting from a report and I would just like to read a sentence from it.

An hon. member: Make some notes.

Mr. Wintermeyer: Mr. Speaker, on April 17, 1961, the hon. Attorney-General was reported by the *Toronto Daily Star* as saying it would be "perfectly silly for a single province to undertake a major investigation of crime."

On April 18, the same newspaper reported him saying in a speech at Windsor that while he was not taking reports of criminal infiltration lightly:

I do not think an organized element has appeared or will appear. It is humorous to talk about the Mafia.

On April 20, the hon. Attorney-General was in Belleville and said, according to the text of his speech, that linking the Mafia with crime in Ontario is ignorance and loose talk and that Canada is comparatively free of organized gangsterism.

On May 5, the hon. Attorney-General attended a closed-door discussion of the Ontario Magistrates Association in Toronto and later reported to the *Toronto Globe & Mail*, that the meeting had strengthened his view that Ontario, and I quote,

Is in very good condition as far as crime is concerned.

On May 8 the *Telegram* quoted him as saying, and I quote,

I do not think my remarks have been what you call complacent. There is no organized crime in Ontario, but men in the criminal element are always trying to organize it.

The Toronto *Daily Star* reported him as adding:

We are fortunate that so far we have been able to crack down on them before they got organized and throw them in gaol. Once it gets beyond a shadow it appears to be organized and I am firmly convinced it is not.

On May 11 the hon. Attorney-General addressed a political meeting in Toronto and according to his text said:

Of course there is a certain amount of bookmaking and betting in pools, with some link-ups to know instantaneously the results of certain races, but there is no suggestion from my sources that there is any undue or extensively unmolested organized crime effective in this province at this time in any way comparable to some of the conditions that have been exposed in some of the states to the south of us.

Mr. Speaker, let me summarize the characteristics of organized crime as revealed by the New York State crime commission.

The commission found organized crime and syndicated gambling to be synonymous. It noted that many other investigations had come to the same conclusion. The commission found that syndicated gambling is an integrated, highly organized, interlocking conspiracy traversing local, provincial and national boundaries. It found that the common handicap, the lay-off system and rapid means of communication, are the vital mechanics of syndicated gambling. It found that syndicated gambling to operate successfully must have police protection and that the professional gambler will reach into the very highest levels of government to secure protection against all possible contingencies.

It found there is an inter-relationship between professional gambling and other illegal activities, especially drug trafficking. It found that gaming and gambling revenues are used to compete with legitimate business.

Mr. Speaker, I shall demonstrate that in Ontario today there is all the evidence needed to show the presence and activity of organized crime. I think this evidence with the description of organized crime made available in the

New York State crime commission's report will convince any reasonable mind that we are faced with a matter of such seriousness that a government responsive to its duties to guard public welfare will be persuaded to launch an all-out investigation that will expose and bring to justice the criminal element that threatens all of us.

I propose to ask and to answer five questions. What evidence is there of syndicated gambling in Ontario? What evidence is there that syndicated gambling in Ontario is an integrated, highly organized, interlocking conspiracy? What evidence is there that professional gamblers have had and may still have protection from police and public authorities? What evidence is there of a connection between professional gambling in Ontario and other illegal or criminal activity? What evidence is there that gambling revenues in Ontario are used to compete with legitimate business?

Mr. Speaker, on the first question one might argue that the New York State crime commission's report alone is evidence enough of syndicated gambling in Ontario. On page 48 there is reproduced a schedule of out-of-state contacts by bookmakers of Niagara Falls, New York. These contacts include bookmakers in Guelph, in Hamilton and in Toronto. On page 51 there is a schedule of contacts by bookmakers at Buffalo, and these contacts include bookmakers in Guelph and in Toronto. On page 45 the commission states:

Below the combine level bookmakers tend to operate on a regional basis. Thus the small bookmakers in the central New York State area lay-off primarily with contacts in their own immediate geographical section. Larger bookmakers would in turn lay off mainly with their counterparts in Canada and the immediately surrounding state. There is an extremely close relationship between major bookmakers in Canada and those in Buffalo, Niagara Falls, Rochester, Syracuse and Albany area. Many of these bookmakers in Canada are transplants from New York City who periodically shift their operations from one city to another.

And that, Mr. Speaker, I quote directly.

On page 21 the commission refers to evidence at its public hearings in New York City in April of 1960 concerning a Canadian bookmaking operation engaged in accepting lay-offs from up-state bookmakers which netted \$500,000 during two months of the baseball season.

On page 26 the commission describes the syndicate in these words:

Today the combines and syndicates enjoy almost complete immunity from law enforcement.

On page 83 the report states:

Several bookmaking operators arrested by the commission and the state police during 1959, were found to have made contact with guests of Joseph Barbara Senior around the time of the Apalachin meeting. One New York State bookmaker, for the purpose of purchasing \$22 million worth of smuggled Cuban pesos, had formed a partnership with a Canadian gambler who was a business associate of an Apalachin delegate.

On page 88 the commission cites a statement it received early last year from Attorney-General Edward J. McCormick of Massachusetts:

His office found evidence that a meeting of over 100 leaders of organized crime had recently taken place in Worcester, Massachusetts, at which the main topic of discussion had been syndicated gambling. Those present at this meeting had connections with gamblers in such places as Albany, Kingston, Schenectady, and New York City in that state; Providence and Johnstown in Rhode Island; New Haven and Hartford in Connecticut; Philadelphia and Pottsville in Pennsylvania; Miami in Florida; Covington in Kentucky; Wilmington in Delaware; and Toronto, Canada.

On page 90 the report declares:

The international character of organized crime is also manifest in the professional gambling field. Lay-off centres are established and maintained in several cities in Canada and until recently in Havana, Cuba.

And it then goes on to make further reference to the Canadian gambling operations which made a half a million dollars profit on baseball betting, by saying the same operation also won \$150,000 in a two-week period from a Buffalo bookmaking operation.

But I have no intention, Mr. Speaker, of relying only on the New York State crime commission and what it found out about syndicated gambling in Ontario.

Between 1957 and the middle of this year, Mr. Speaker, that is a period of four and a half years, 31 so-called social clubs lost their charters as a result of illegal gambling in Metropolitan Toronto. Yet at the end of this

period there were still 24 clubs in Metro area suspected of illegal gambling by the police. I am informed that of the 31 cancellations, 23 resulted from court convictions for either gaming or betting, and eight from police representations to the hon. Provincial Secretary (Mr. Yaremko) and that he exercised his discretionary power to cancel when there is good reason to believe the charter is being used for illegal gaming.

A *Globe and Mail* story on May 25, 1961, written by Albert Warson provides further evidence of the extent of organized gambling. His report said:

On May 19, 1961, the police of Buffalo and Niagara Falls, New York, produced a pile of nearly 70 telephone numbers linking bookmakers in their area to their contemporaries in Toronto, Hamilton, Guelph, London, Niagara Falls, St. Catharines, Thorold, Welland, Fort Erie, Port Credit and such places as Rosemount.

On May 13, 1961, the Toronto *Daily Star* quoted Magistrate Bick, Chairman of the Metropolitan Police Commission, as saying:

Toronto does have organized crime and the big question is what links it may have with the United States. Certainly there is organized crime in Metro Toronto. There has been organized crime in Toronto for many, many years.

As recently as November 9, 1961, the Toronto *Telegram* reports a raid on a Betty Anne Drive, Willowdale, home that netted five men who were held on 21 charges. This raid uncovered Bell telephone records of calls from that house costing \$1,312 in one 35-day period. The calls included calls to Hamilton, Montreal, Preston, Norfolk, Cleveland, Chicago, Detroit and Miami.

Last April 20, 1961, the Toronto *Daily Star* reported the conviction of two men by Magistrate Wolfe of operating a bookmaking business which police estimated was a \$2.5 million a year operation. The men were convicted of operating a common gaming house on Eglinton Avenue and another on Christie Street. In the Eglinton Avenue apartment police found betting slips for April 30, 1960, recording \$17,034. Police claimed the average daily take was \$8,772. The convicted men's defence counsel, David Humphrey, and I quote, "contended that the two men were not the big men of the business but salaried employees."

In December of 1960, when confessed gambler Max Bluestein was convicted of operating the Lakeview club on Eglinton Avenue, the convicting magistrate estimated

that the club did an annual business exceeding \$13 million, with a profit in excess of \$1 million. After the raid on the Centre Road veterans club the police found lists of gamblers totalling 1,464 persons. Of these 1,098 were members of the veterans club and 336 were members of the Jordan club, a downtown Toronto club run by Feeley and McDermott and against which a conviction was entered.

Hon. Mr. Roberts: I would just like to—

Mr. A. J. Reaume (Essex North): Do not interrupt.

An hon. member: We are loaded around here. Sit down.

Hon. Mr. Roberts: I am not going to sit down!

Mr. Speaker: Order. The member can rise on a point of privilege if there is some real misstatement.

Hon. Mr. Roberts: The privilege is just this—will the hon. leader of the Opposition sit down for a moment, please?

Mr. Wintermeyer: What is the privilege?

Mr. Speaker: The member can rise and state his point.

Hon. Mr. Roberts: The names of two people Feeley and McDermott were just mentioned. These two men are accused and at the present time there is a case before the court of appeal awaiting hearing in connection with gambling which puts anything relating to them and to their case in the position of *sub judice*. Surely my hon. friend knows that and I am bringing it to his attention now to make it clear because the rules of the House are very clear concerning that.

An hon. member: What is the rule?

Mr. Wintermeyer: What rule is the hon. Minister quoting? Mr. Speaker, we are going to fight this one out. No speech have I ever given more thought to, more determination; nor is there any speech have I ever made in this House am I going to fight more to present.

This is a defensive move by the hon. Attorney-General. Most of what I am going to say relates to that trial and I say, Mr. Speaker—

Hon. Mr. Roberts: Then the hon. leader of the Opposition has no—

Mr. Wintermeyer: Mr. Speaker, there is a rule which says an hon. member may not comment on any cases before the courts; but I say, Mr. Speaker, that surely that rule can not be used to preclude any reference to any case in our courts.

Mr. Speaker, think of this: that particular case to which the hon. Attorney-General makes reference is currently in the Court of Appeal. Now surely I cannot influence the Court of Appeal, and common sense, Mr. Speaker, dictates that this supreme Legislature should have the opportunity to bring to the attention of this House and the people of Ontario matters of significance and not be diverted by a tactic that would suggest that I am going to undermine the judicial system at the Court of Appeal level by making comment.

Hon. Mr. Roberts: Mr. Speaker, if the hon. member intends to persist I will say at once that if he intends to persist along those lines I will ask you to rule and I will ask the House.

An hon. member: Well, what is the hon. Minister hiding for? Get out from behind that screen. No wonder he did not win.

Mr. Wintermeyer: I am informed and I have every reason to believe that the hon. Attorney-General knows, or should know as I do, that in a raid on a back-end in a Toronto apartment in 1957 the Toronto police seized a list of 600 names and upon study these proved to be the names of not just bettors or customers, but of bookmakers and gamblers. Mr. Speaker, there has been evidence in the courts and reference in this House on previous occasions concerning three of the largest gambling clubs in the province in the past 10 years—the Roseland club in Windsor, the Frontier club in Fort Erie, the Centre Road veterans club in Cooksville. I am informed that two notorious gamblers, Joseph McDermott of Port Credit and Vincent Feeley, had substantial interests in all these operations—

Hon. Mr. Roberts: I arise to object that these men's names, who are charged before the court with charges pending as well as the case—

Mr. Wintermeyer: Now, Mr. Speaker, I am the leader of the Opposition and I am prepared, Mr. Speaker, to tell you now that I will vacate any privilege I have. No speech was more important than the speech I am going to make. I am prepared to waive any privilege I have in this House, I am prepared

to do anything that is reasonable to give me the opportunity to make the comments that I think in conscience have to be made for the people of Ontario at this time.

Applause.

Interjections by several hon. members.

Mr. Speaker: Order. The Speaker will rule when he thinks a rule is necessary.

Mr. Wintermeyer: Mr. Speaker, there has been evidence in the courts and reference in this House on previous occasions concerning—sorry Mr. Speaker, I have already read that portion, let me continue.

There has been evidence in court concerning the Ramsey club in Niagara Falls. Mr. Speaker, the relations between this club and the Frontier club in Fort Erie were most intimate and most intriguing and I shall relate them to the House later on. Suffice it to say at this point, there has been testimony in court to indicate that from the latter part of 1959, Joseph McDermott and Vincent Feeley had a substantial interest in the Ramsey club and were therein associated with various American gamblers led by one Benjamin Niccolitti.

Hon. Mr. Roberts: Mr. Speaker, I am afraid—

Mr. Reaume: The hon. Minister is afraid all right, he is afraid—

Interjections by several hon. members.

Hon. Mr. Roberts: I would point out to the hon. member that I have responsibilities just as he has and in connection with the rule, it is a general rule not of my institution by any means, but a general rule that when cases are before the courts they should not be discussed in this House. Now my hon. friend was talking about the very evidence that was produced in these cases.

Mr. Reaume: Is the hon. Minister's face red?

Mr. Wintermeyer: Mr. Speaker, that evidence has been presented at the trial level. This is not politics.

There was testimony to indicate that two brothers named Iannuzeli of Niagara Falls, New York, who preceded Feeley and McDermott as the Canadian bosses of the Ramsey club, were members of the Mafia.

There has been testimony to the effect that as recently as the early part of 1960, an

American by the name of Magardino, who was identified as the brother of a hoodlum called Magardino the Undertaker, had visited Feeley and McDermott to discuss sources of information in the anti-gambling branch of the Ontario Provincial Police.

There has been reference in court to a James Bay hunting trip which Joseph McDermott was supposed to have made with two or three racketeers from the United States. On September 30, 1958 McDermott, Feeley and six other men arrived at Moosonee, Ontario, and were taken to the James Bay goose club. They departed by air on October 4, with the exception of one man to whom I shall refer later.

The other members of the party were all from Detroit and all are, assuming them to be still alive, reputed leaders of the Mafia in Detroit. The five men were:

William Tocco of 581 Middlesex Road, Grosse Point Park, Michigan. This man has a Detroit police record from the prohibition days, being arrested several times but never convicted. He is apparently very wealthy, owning interests in a produce business, a beer distributorship, a bus line and a bakery in Detroit. He is reported to be the judge and peacemaker within the gambling syndicate in Detroit.

Anthony Tocco of 552 Middlesex Road, Grosse Point Park is the son of William Tocco, and is married to Carmelia Profaci the daughter of Joseph Profaci of Brooklyn, who is regarded as the leader of the syndicate in the eastern United States.

Jack W. Tocco of 560 Middlesex Road, Grosse Point Park, Michigan is the son of William Tocco and is married to the daughter of Angelo Meli, a czar of the prohibition era, who is said to have a controlling interest in gambling in the Detroit area. Jack Tocco is a large shareholder in the Hazel Park racing association, which owns a race track in Detroit and operates Wheeling Downs in West Virginia.

Vincent Meli, 1683 New Castle Ave., Grosse Point Woods, Michigan. He is the son of Angelo Meli, to whom I have just referred.

Dominic Corrado, 701 Middlesex Road, Grosse Point Park. He is a cousin of Jack and Anthony Tocco and the son of the late Peter Corrado, a czar of Detroit bootlegging and gambling. Dominic Corrado was arrested on a gaming charge in 1952 but released.

These then, Mr. Speaker, were the men with whom Joseph McDermott and Vincent Feeley went hunting at a luxurious lodge in James Bay some three years ago. I do not

pretend to know what they talked about. I can tell the House that the Detroit men were McDermott's guests. At least he is known to have paid \$2,000.00 in cash for water transportation and supplies when the party left.

I can also tell the House that the James Bay goose club is owned by Eric Cradock and Joseph B. Ryan and that shortly before McDermott and his party arrived at the club, Ryan sent a telegram from Toronto to the club manager which stated in part:

JOE McDERMOTT PARTY EIGHTEEN FOURTH WEEK CANCELLED. PURPLE GANG IN TROUBLE STOP.

Laughter.

Mr. Wintermeyer: Mr. Speaker, Feeley and McDermott were big-time gamblers who operated on a big-time scale. To get about in their gambling operations they had a private airplane at their disposal and were both licensed pilots.

The aircraft, of course, was not registered in their name. The plane I am referring to was a float-equipped Cessna 180A aircraft, insignia CFJQQ. This plane was based at Toronto Island airport and was registered to one George Reid, a gambling associate of Feeley and McDermott, in the care of D. G. Humphrey, 12 Richmond Street East, Toronto, a legal advisor to several Feeley and McDermott enterprises.

McDermott was at the controls of this airplane when it crashed into the Toronto harbour on September 3, 1958. He was returning from Fort Erie, the location of the Frontier club. This airplane was replaced by a similar one, insignia CFKRN. It too was registered to George Reid, in care of D. G. Humphrey.

Hon. Mr. Roberts: The hon. leader of the Opposition appears to be reading from some evidence. Would he indicate what—

Mr. Wintermeyer: Mr. Speaker, if the hon. Attorney-General was on top of his department he would know where I got this information.

Hon. Mr. Roberts: I am asking—

Several Opposition members: No, no, no!

Mr. Speaker: Order! Hon. members can ask questions of those who are speaking and have the floor. They can ask questions with permission. However, the hon. member speaking has the right to refuse to answer the question at any time.

Mr. Wintermeyer: In the early winter of 1959, Mr. Speaker, this aircraft left Toronto Island airport and did not return for many weeks. It was flown by a hired pilot to Florida where Feeley and McDermott had gone south by a commercial airliner, and used it for private flights in Florida and the Caribbean area. The airplane made at least one flight to Cuba, where the pilot was jailed for illegal entry.

It would be very interesting for a Royal commission to investigate whether there was any connection between this flight to Cuba and the report to the New York State crime commission of a deal involving a Canadian and New York gambler to buy \$22 million worth of smuggled Cuban pesos.

Since September 21, 1960, Mr. Speaker, the Cessna KRN aircraft has been registered in the name of a respectable Toronto architect. All the log books pertaining to the aircraft were turned over to this gentleman at the time of sale with the exception of the journey log. The journey log is the one and only record of where the aircraft has been. It must be kept afterwards, because it may be inspected by The Department of Transport at any time. Any inaccuracies or omissions can result in the cancellation of the registration.

The House may be interested to know that the police blotter for September, 1960, records the report of a theft from George Reid. According to Reid, he was on his way to the architect's home to deliver the journey log and had decided to stop in Chinatown for dinner. When he returned he found his car had been broken into and a briefcase containing the journey log had been stolen. I hardly need add, Mr. Speaker, that there has never been any recovery.

Now, Mr. Speaker, I turn to my second question. What evidence is there that syndicated gambling in Ontario is an integrated, highly organized, interlocking conspiracy? On April 25 of this year the Bellevue bridge and social club and a number of other places were raided. Nine men were charged with conspiracy to operate several betting houses. Since their names and histories are instructive, I shall give them to the House:

Freddie Gabourie, of Bathurst Street; Jack Weaver of Chelwood Road; Harry Ikeman of Eglinton Avenue; Max Silver of Crawford Street; Arthur Larder of Spadina Avenue; Tim Buckley of Royal York Road; Mr. Goldenberg of Arlington Avenue; Alex Robinson of Tyndall Avenue and Hugh O'Gara of Eglinton Avenue.

Of Mr. Gabourie and Mr. Weaver I shall have more to say later on. For the present—

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, may I ask a question?

Mr. Wintermeyer: Not at this juncture. I anticipate the question and it may be valid a little later but not right now.

For the present I wish only to draw the attention of the House to the fact that Jack Weaver of 41 Chelwood Road, Toronto, is on record with the department of the hon. Provincial Secretary (Mr. Yaremko) as being a director of the Divion club from early 1959 until the club lost its charter in October of 1960 as a result of police representations.

Here is but one example, Mr. Speaker, of the difficulties faced by the police in suppressing illegal gambling. Having finally got the Divion club closed, they find Mr. Weaver busily at work elsewhere.

Unless the hon. Attorney-General draws some satisfaction from the fact that at least the Divion club was closed, let me point out to him that the file in the department of the hon. Provincial Secretary on this club shows its location to have been 2 Tyndall Avenue, Toronto. But that the Toronto police knew it to be 1284 Queen Street West and that in the injunction proceedings to which I have referred the address of 9A McNab Street, Hamilton, was also stated. There is no reference of either address in the club file, and no record that the hon. Provincial Secretary consented to a change of premises from 2 Tyndall Avenue, as the law requires.

If the hon. Provincial Secretary should reply that they cannot possibly police the files of all these club charters, I suggest to him that we are surely entitled to expect a better performance than occurred in this case where the Divion club charter was dissolved on November 12, 1960, but his officials were still writing Mr. Weaver on November 30, 1960, to complain that the club's annual return had not been filed.

I turn now, Mr. Speaker, to Harry Eisen and Arthur Larder. Eisen was from 1955 to 1958 a director of the Somerset club in North York, a club suspected by the police of illegal gambling. After 1958 he was a director of the Bellevue club. The file on the Bellevue club does not show an Arthur Larder, L-a-r-d-e-r, but it does show an Arthur Larter, L-a-r-t-e-r of 397 Spadina Avenue, as a director in 1960. And it would appear they are one and the same man.

Tim Buckley, another of the men arrested April 25 on the charge of conspiracy to operate several betting houses appears in the file of the Columbia bridge club of Toronto as a director in 1959. The Columbia club's

charter was dissolved for cause a year before Mr. Buckley was arrested on the conspiracy charge. Phinias Goldenberg of Arlington Avenue is I presume either the same or a close relative of Percy Goldenberg of 243 Arlington Avenue, Toronto, who is identified in the Bellevue club file as a club director from 1958 to 1961. Alex Robinson of Tyndall Avenue was a director of the West End bridge and social club, Toronto, from 1953 until the club was convicted for illegal gambling in 1960. From 1954 to 1956 he was a director of the Club Bernard, a club still operating and suspected of illegal gambling by the Toronto police.

On April 24, 1961—and I would point out to the House this is only a day before he was picked up in the raid—Alex Robinson was sentenced to three months in jail and fined \$3,000 for operating a back-end book-making establishment. An identical punishment was meted out on the same day for the same offence to Hugh O'Gara, the last of the nine men arrested on April 25 and charged with conspiracy to operate several betting houses.

Surely, Mr. Speaker, the pattern is obvious. Here are nine men, all arrested on the same day and charged with the same conspiracy offence and most of them, it develops, proved to have associations with other illegal and conspicuous gambling operations. Clearly this indicates the highly organized interlocking nature of professional gambling. The hon. Attorney-General may say, how can he be expected to know that? I ask the hon. Attorney-General, does he not know that the provincial police seized a list of 1,464 names showing the membership of the Centre Road veterans club at Cooksville and the Jordan club in downtown Toronto when the police raided the home of George Reid, the trusted lieutenant of Vincent Feeley and Joseph McDermott? Has he not examined that list?

Does the hon. Attorney-General not also have records of illegal gambling convictions both in respect of individuals and chartered clubs? Has he not received both from the provincial police and the Metropolitan Toronto police lists of clubs suspected of gaming or betting?

And has he not the records on these clubs examined either by his own or the department of the hon. Provincial Secretary? And has he not had a comparison made of all these lists and records?

Perhaps the hon. Attorney-General will say he has been too busy travelling about the province, convincing people that there is no

organized crime in Ontario. I will tell the House what such an examination and comparison shows. It shows beyond any reasonable doubt a pattern of interlocking memberships, directorships and associations in chartered clubs by professional gamblers. I have already cited several names, names which have already appeared in the press. I shall have occasion to cite a few more because their disclosure will be necessary. But I am not going to disclose all the names because I do not believe they should be disclosed unnecessarily. Suffice it to say I have compiled over 30 names of persons who are part of the pattern I have described.

In every case the organization involved has been convicted or suspected by the police of illegal gambling and I would point out to the House that it is well established that these persons are frequently just the fronts for the big-time gamblers. Max Bluestein, for example, was convicted of keeping at the Lakeview club in Toronto but his name appears nowhere in the Provincial Secretary's file on that club. The examination and comparison of the Provincial Secretary's public records also shows beyond any reasonable doubt that there has been and is a heavy trafficking in the charters of so-called clubs and that professional gamblers have received valuable legal assistance from certain legal firms.

Again, Mr. Speaker, I do not think it proper to cite all the things involved because I realize a lawyer can easily be fooled in a matter of this sort. However, I shall cite two notorious examples, and again I remind the House that every club I shall name has been closed down or is suspected by the police of illegal gambling.

Sol Gebirtig, a Toronto lawyer, has acted for the Lakeview club, the Garment Centre recreation club, the Jordan club, the Bellevue club, the Colonial club, he was the sole defence witness in the 1957 trial of the notorious Finnish club of New Toronto, and his testimony at that trial can only be described as fantastic. The same man was a member of the Jordan club and has been identified in evidence in court as a close companion of Vincent Feeley and Joseph McDermott.

The Toronto law firm of Herman, Moses & Rose has acted for the Union Jack club, the West End club, the Columbia club, the Greek Canadian club, the Showmen's League of America, the Frontier Veterans Association of Fort Erie, the Roseland club in Windsor, and the Centre Road veterans club of Cooksville. There is good reason to believe, Mr.

Speaker, that Walton C. Rose, a member of this firm, represented himself to provincial police officers at Windsor as a shirt salesman in an effort to discover what evidence they had against the Roseland club.

In view of this traffic in social club charters, and in view of the organizational pattern I have described with respect to these clubs, I now propose, Mr. Speaker, to examine in some detail how this charter system works and how it has been used by criminals to exploit the laws of Ontario and circumvent the laws in Canada.

Mr. Speaker, I want to deal now with the gaming clubs in Ontario masquerading under the guise of social clubs incorporated under the laws of Ontario. In dealing with chartered social clubs that have become gaming clubs I will discuss the following topics: (1) What is the difference between gambling and gaming? (2) What is the law relating to chartered social clubs? (3) What is the advantage for professional gamblers to operate behind the guise of a chartered social club? (4) What is the policy of the Conservative government towards chartered social clubs suspected of being gaming houses? (5) How have the Attorney-General's department and the Provincial Secretary's department enforced the laws and carried out government policy with respect to chartered social clubs and illegal gambling?

Let me deal with the first question: What is the difference between gambling and gaming? Gambling of itself is not illegal in Canada but professional gambling is illegal. Professional gambling, Mr. Speaker, is gaming. The professional gambler is a man who operates a gaming house or a gambling game for his own profit.

The Criminal Code, section 176, provides that everyone who keeps a common gaming or betting house is guilty of an indictable offence and liable to two years imprisonment. Persons found in such houses are guilty of an offence punishable on summary conviction. Under the Criminal Code bookmaking is an indictable offence liable to two years imprisonment. A common gaming house is defined as a place that is kept for gain to which persons resort for the purpose of playing games.

What is the law relating to chartered social clubs? The power to incorporate a social club is held by The Corporations Act to be discretionary with the Lieutenant-Governor who may issue a charter by letters patent to not less than three persons constituting them a corporation. The power to

incorporate may be exercised by the Provincial Secretary. In order to qualify for incorporation it is specifically provided that the corporation may have objects that are of a patriotic, religious, philanthropic, charitable, educational, agricultural, scientific, artistic, social, professional, fraternal, sporting or athletic nature, or that are of any other useful purpose. But a corporation with such objects shall not be carried on for the purpose of profit or gain.

The Criminal Code provides, however, that in the case of an incorporated *bona fide* social club or a branch thereof such club or branch shall not be deemed to be a gaming house if no fee in excess of ten cents an hour or 50 cents a day is charged to the players. The law provides that the onus of proving an incorporated social club is *bona fide* is on the club. It is this exception which makes a social club charter so valuable to professional gamblers. It permits gamblers to occupy a premises that can be frequented openly and daily by a large number of people. It permits gamblers in the guise of a club to have gambling equipment such as playing cards, dice, poker chips and other paraphernalia on the premises. It permits installation of a teletype system that provides sporting information on which gambling can take place.

Mr. Speaker, professional gamblers regard a social club charter as a certain road to fortune. It provides the front for their illegal operations. A gaming house with a club charter can delay entry by posting look-outs, by having doors with knobs or handles, by having a steward beside the door who only opens to persons he knows. Gaming houses with charters excuse these wilful obstructions on the ground that as a club they have a restricted membership and have to take precautions against intruders. As it takes as little as one minute to clear evidence of gaming even a slight delay frustrates police in their efforts to secure evidence.

Mr. Speaker, the existence of a social club charter provides protection for the keepers of gaming houses and for those who are found-in on police raids, because it is very difficult for police to obtain conclusive proof of the operation of gaming when all the paraphernalia can be removed or concealed in less than one minute or explained away as legitimate recreational equipment.

Because the power to incorporate resides in the Crown the power to cancel a charter also rests in the Crown. The power of cancellation, however, has certain limits. A

charter can be cancelled if sufficient cause is shown. The only statutory provision concerning cancellation is set out in The Corporations Information Act which permits cancellation if the corporation has defaulted for three years in filing its annual returns. The Ontario Court of Appeal, however, in the case of *Border Cities press club v. the Attorney-General of Ontario*, affirmed that the Provincial Secretary may decide what constitutes sufficient cause, provided the persons affected are first given notice and the opportunity to appear before the Provincial Secretary and show why an order for cancellation should not be made.

The significance of this ruling, Mr. Speaker, is that the Provincial Secretary can initiate an action for cancellation of a social charter. The Crown, in addition to the powers to create a corporation by letters patent, has the power to make regulations governing the manner in which the corporation shall carry out its objects. Such regulations have been drawn up governing the operation of chartered social clubs. They provide that the letters patent of a social club, other than a service club, shall limit the location of the club's activities, clubhouse or premises. Since 1960 this restriction has been set out in law. This section forbids a social club to change the location of any of its premises without the written permission of the Provincial Secretary.

The regulations also provide that the letters patent of all social clubs must contain two clauses, the first stating that the exemption for legal rake-off provided by the Criminal Code will not prevent cancellation of a club charter if it is shown to the satisfaction of the Provincial Secretary that the club is being used as a common gaming house. The second clause provides that the Provincial Secretary may cancel the letters patent if it is shown to his satisfaction that the club's premises are guarded, equipped or otherwise constructed or operated so as to hinder lawful access and inspection by police or fire officers, or are found to have any means for betting or gaming or any device for concealing or destroying such means. Another regulation requires that veterans must constitute at least 95 per cent of the membership of any veterans' club. The Corporations Information Act of Ontario provides that every Ontario corporation and every corporation carrying on business in Ontario shall file with the Provincial Secretary by June 1 of each year an annual return setting out its name, directors and officers as of the preceding March 31. Fines are provided for failure to comply.

Now, Mr. Speaker, what is the policy of the Conservative government towards chartered social clubs suspected of being gaming houses? The answer to that question is contained in a statement made by the hon. Attorney-General in this Legislature on February 23, 1959, and I quote certain portions of that passage:

The policy as established, and still in effect, is to limit the location of the activities to the particular street address named in the letters patent. The letters patent themselves carry special clauses.

The first provision was to take away the overhead right to the point that the Provincial Secretary could recommend the cancellation and the Lieutenant-Governor in council actually cancel, in his discretion, such a charter even if they were not charging any more than what was permitted by the Criminal Code for overhead.

The second point was that, if the premises were equipped or guarded or otherwise constructed to hinder or prevent lawful access and ready inspection, or if found to be fitted with any means or contrivance for playing any game of chance, then the letters patent could be cancelled in the same discretion.

This, in the words of the hon. Attorney-General, is the interpretation of the statutes and regulations I have just quoted. And then he goes on:

When an application is received it is the practice of the Provincial Secretary's department and has been ever since 1949 to refer the matter to the local police and also in all cases to the Ontario Provincial Police, and in some cases to the Royal Canadian Mounted Police before granting incorporation. The practice is not to grant a charter if the police have legitimate objections. Also, precautions are taken to make sure that the applicants for an incorporation must continue to be the members, in other words, genuine members of the organization must be the applicants and they must remain in office. In this way, a check on the membership is made easier.

I am informed that since this policy was adopted conditions have greatly improved, and it is only on very rare occasions that—at the insistence of the police or otherwise—this type of charge requires action although such a step as cancellation has taken place on occasion. . . .

By and large, the procedures used by the Provincial Secretary's department in these social club activities proved very satisfac-

tory, and wherever there is misuse I feel certain that I can give the assurance, both on behalf of my own department and on behalf of the hon. Provincial Secretary that the police can count on co-operation and every effort will be made to stamp out offences.

Mr. Speaker, that in summary is the policy of the government. Now how have the department of the hon. Attorney-General and the department of the hon. Provincial Secretary enforced the laws and carried out government policy with respect to chartered social clubs and illegal gambling? An examination of the records will demonstrate there have been flagrant violations of all points of the law in all aspects of policy, not just once, but on frequent occasions. The hon. Attorney-General's statement of policy declared that it is the practice of the hon. Provincial Secretary's department and has been since 1949 to refer all applications for social club charters to local police and to the Ontario Provincial Police. Mr. Speaker, all social club charters were not investigated by the police. The following were not investigated:

1. Chipper Sales and Advertising Club, 1 Howard Park Avenue.
2. Showmen's League of America, 1 Howard Park Avenue.
3. The Portuguese-Canadian Association of Toronto, 274 College Street, Toronto.
4. The Centre Road Veterans Association, sometimes called the Vets club, Toronto Township. I shall have more to say about this later.
5. The Roseland Veterans Association, Windsor.
6. The Frontier Veterans Association, Fort Erie.

I am sure that those last three clubs are no strangers to the hon. Attorney-General. Perhaps he will recall that on July 19, 1957, he issued a press release in which he complained that the then federal Minister of Justice had declined to restrict the federal charters to these clubs in the same way that provincial charters were restricted by the policy I have just outlined.

In that press release the hon. Attorney-General did not explain that the Minister of Justice had very little power to restrict the clubs, since they were but branches of the army, navy and air force veterans associations of Canada, an organization created many years ago by a private bill passed by Parliament. Nor did the hon. Attorney-General mention in that press release that the

Dominion command of the army, navy and airforce veterans association was about to take some action after many representations from the police.

What the hon. Attorney-General did say, however, was that despite the Minister of Justice, the leaders of the three clubs were willing to submit themselves to provincial jurisdiction with all the limitations that involved, just to show they were *bona fide* social clubs. Let us look therefore at these three clubs, Mr. Speaker.

The records of the department of the hon. Provincial Secretary do indeed show that they were all incorporated on July 5, 1957, 14 days before the hon. Attorney-General's press release. They all had, as I have said, the said solicitors, Herman, Moses and Rose. They all escaped, as I have said, prior police referral. Another fact which the hon. Attorney-General forgot to mention in his press release.

The Roseland club at Windsor lost its provincial charter on March 8, 1958 as a result of a court conviction two months before of two men, Curly Gardner and Leo Finnigan, on charges of keeping a common gaming house. Well, the hon. Attorney-General may say we finally got them. Mr. Speaker, that conviction was obtained despite the hon. Attorney-General, not because of him.

The Roseland club had been raided and raided again and again by the police. And because of its charter club set-up and for the reasons I shall explain later on, no evidence to support the laying of charges could be found. That was why I suggest Mr. Walton C. Rose was so anxious to know the evidence the police had when the charges were laid.

The police evidence, Mr. Speaker, was dramatically revealed in court by the appearance of one Raymond Atwood of Detroit as a Crown witness. Mr. Atwood's brother Earl had been found murdered in Michigan a few weeks before after winning a very large amount of money at the Roseland club. Earl Atwood was reported to be carrying \$40,000 when slain. Raymond Atwood was prepared to testify about the Roseland club's operations, but he never got the chance. The moment he appeared defence counsel asked for a recess and when the court resumed the accused changed their pleas from not guilty to guilty.

John "Curly" Gardner, Mr. Speaker, was sentenced to one year in jail. On April 23, 1958, he was released on ticket-of-leave, having served some four months of his twelve-month sentence. Parole was granted

on the prerogative of mercy after Lewis Herman, of Herman, Moses and Rose wrote The Department of Reform Institutions that Gardner was seriously ill. A medical examination also reported that he had diabetes and a heart condition and further imprisonment would endanger his life. Mr. Gardner is still very much alive, Mr. Speaker, and he is running a small bookmaking operation.

The Frontier Veterans Association at Fort Erie was incorporated, according to records in the hon. Provincial Secretary's department, by Henry Damore and Frank Muscato of Niagara Falls, and Allen Sydney Ross of Welland. The letters patent stipulated the location of the club to be Concession 3, Bertie Township, Welland county, and nowhere else. However, both in 1959 and 1960 the annual returns for the club showed its location to be Rural Route No. 2, Garrison Road, Fort Erie. These are two different addresses and there is no record that the letters patent were amended or that the hon. Provincial Secretary consented to the change of address as required by law.

The charter is still in good standing despite this fact, and despite the fact that in 1958 Bertie Township formed its own police force and the club was raided so often that business fell away and the operators were obliged to close down.

Now let us examine the Ramsey club in Niagara Falls. The House will recall I have said that Vincent Feeley and Joseph McDermott obtained interests in the Ramsey club in the latter part of 1959. The Ramsey club has a federal charter and its annual returns show two names appearing as club directors in 1960 for the first time. Those names are Henry Damore and Frank Muscato, two of the directors of the closed-down Frontier club. There has also been evidence in court that the steward of the Ramsey club after Feeley and McDermott moved in was Syd Ross, apparently the same man who was the third director of the Frontier club. It may also interest the House to know that the Ramsey club's federal charter has not been cancelled.

The records of the hon. Provincial Secretary's department show that the directors of the Centre Road Veterans Association in 1958 and 1959 were William Laffrade, John Pleschuk and Angelo Laffradi. There has been evidence in court that Pleschuk and Laffradi were officers in the Finnish social club at Timmins. I will not go into the history of the Finnish club, Mr. Speaker, except to say that it has two locations in New Toronto—one of them being the address at the

time of Vincent Feeley—and that it gave the police a great deal of trouble for several years before a conviction of illegal gambling was obtained in 1960.

Despite this record of Pleschuk and Lafradi, and despite the fact that Lincoln Turner, one of the incorporators of the Centre Road club was in 1957 the secretary-treasurer of the notorious Jordan club in downtown Toronto, it was not until February of 1960 that the hon. Provincial Secretary agreed to hold hearings on police representations that the Centre Road club was a gaming house. And it was not until June 24, 1960, that Robert J. Wright was arrested and the Centre Road club was dissolved.

These, then, Mr. Speaker, were the three social clubs for whom the hon. Attorney-General set aside the policy of police investigation when the government granted charters in 1957. The hon. Attorney-General in his policy statement also said it is not the practice of the hon. Provincial Secretary to grant a charter if the police have legitimate objection.

Mr. Speaker, I am going to read to this House the names of several social clubs which were granted charters and letters patent or supplementary letters patent despite the fact that there was an adverse police report on the clubs following police investigation. The clubs which the police investigated and reported upon adversely were:

(1) The Bathurst-Sheppard social and athletic club, North York. The police reported adversely on this applicant on September 30, 1959. The club was incorporated on November 20, 1959. This club is suspected by the Metro police as a gaming house.

(2) The Chinese Business Men's Cultural Society, Toronto. The Metro police reported adversely on this applicant in May of 1959. Letters patent were issued on July 8, 1959. A second adverse police report on this club was made on September 15, 1959. Dr. H. W. Lore, one of the incorporators, ran or helped to run the Chee Kung Tong club which was dissolved November 22, 1958, because of a conviction.

(3) The Apter Friendly Society, Toronto. The Metro police reported adversely on this club on January 17, 1960, and a charter was granted on March 28, 1960.

Mr. Speaker, the hon. Attorney-General in his statement said it was the policy of the government as well as a requirement of law to limit the location of the activities of a social club to a particular street address named in the letters patent. A change of address was

to take place only after written permission for the change had been secured from the hon. Provincial Secretary. I want to cite several instances in which this policy was not pursued and in which the law was contravened.

The Chipper Sales and Advertising club was restricted by its letters patent to No. 1 Howard Park Avenue which is the address of Price's Vita-Crisp Potato Chips and Mixed Nuts. Joseph R. Price, 301 Park Lawn Road, the leading officer of the club, wrote the hon. Provincial Secretary on January 11, 1961, that the club was not active. At that time the club appeared on the Metro police suspect list as a gaming club. Mr. Price's name can be found in the membership list of the Centre Road Veterans club, the Feeley and McDermott operation in Toronto Township. Mr. Price's business stationery which is in the public file on this club lists the telephone number as Lakeside 5711, an exchange listing that was discontinued several years ago.

The Showmen's League of America, incorporated on August 6, 1959, by Toronto barrister Louis Herman, without a prior police investigation, also gives 1 Howard Park Avenue as its address. The club's address in the 1960 return is not shown as 1 Howard Park Avenue, but as 1 Wellington Street West, an address which appears in the Toronto city directory as the Royal Canadian Yacht club. There is no record in the file of permission from the hon. Provincial Secretary to change the address. The telephone directory continues to list the Showmen's League as 1 Howard Park Avenue and this club is also suspected by the Metropolitan Toronto police as a gaming house.

The Frontier club, Niagara Falls, was restricted by its charter at 1292 Ferry Street, Niagara Falls. In recent returns its address is given as 1528 Louis Avenue. No consent for a change of address appears to have been obtained from the hon. Provincial Secretary.

The New Canadian Social club, Toronto, obtained letters patent on June 15, 1955, and its premises were stated to be 360 to 362 Queen Street East. However, the first return gave the address as 52 Wyatt Avenue. In 1956 the address of the club was changed to 364 Queen Street East, with no evidence to suggest the change was approved by the hon. Provincial Secretary. A further change of address was given as 372 Queen Street East in the club's 1960 return. The hon. Provincial Secretary's department advised the club that a change of address could not be approved without the hon. Provincial Secretary's consent and the club requested

supplementary letters patent. The police filed a report disapproving of the club. Before the hon. Provincial Secretary could act the police closed the club down with a raid on December 28, 1960.

The Somerset club moved to 4140 Bathurst Street, North York, in 1959. There is no record that the hon. Provincial Secretary approved of the move although the department was aware of it as is shown by a letter advising the club that such a move had to be approved by a vote of the membership because the new location was outside the limits of the city of Toronto. On June 30, 1960, the provincial police submitted an adverse report concerning the issuance of supplementary letters patent. The club is also suspected by the Metro police as a common gaming or betting house.

Despite these three objections no steps were apparently taken by the hon. Provincial Secretary to enforce the prohibition against the club's change of address without permission.

The Spadina card and social club is another case at point. It was incorporated on April 24, 1947. On August 5, 1957, it applied for supplementary letters patent to move its location from 163½ Spadina to 560 King Street West. In September, 1957, the Ontario Provincial Police reported adversely on the proposed change. On November 8, 1957, the club's solicitors wrote to the hon. Provincial Secretary complaining that the police investigation was taking too long. The club asked for consent to make the change without a police clearance. On December 2, 1957, the hon. Provincial Secretary wrote that the application for change had been refused.

On December 19, 1957, however, the supplementary letters patent were granted by the hon. Provincial Secretary. No reason for the change in policy can be found in the file. The club was convicted of being a common gaming house in 1960 and then the charter was cancelled.

The Sun Sun social club, Toronto, wished to move from 92 Elizabeth Street to 121 Dundas West. On March 27, 1961, the Ontario Provincial Police reported adversely on the granting of supplementary letters patent. The club apparently had the new address when the application was made, it still has 121 Dundas Street West, and it is suspected by the Metro police to be a common gaming house.

A recent case is that of the 25 Club, Port Credit, which applied for a charter on Sep-

tember 20, 1960. The application was submitted to the Port Credit Police, the Ontario Provincial Police and the Royal Canadian Mounted Police. On November 17, 1960, the Ontario Provincial Police submitted an adverse report. On January 31, 1961, a solicitor in the hon. Provincial Secretary's office wrote the club's solicitor that his only objection appeared to be that the location, which was in fact the home of one of the applicants, violated a Port Credit zoning by-law. It was suggested that this objection might be overcome if the club did not maintain a clubhouse.

Apparently the Ontario Provincial Police report was ignored as letters patent were issued on March 28, 1961, with no mention of an address for a clubhouse and stipulating that the head office had only to be in Toronto Township.

Mr. Speaker, I could cite other violations of the declared policy of the government and of the law as it relates to social clubs, but from the ones I have cited several conclusions are obvious.

Firstly, police have demonstrated they know of 55 chartered clubs in Metro which have been convicted or suspected of gaming within recent dates. I do not suggest this is an all-inclusive figure, but by itself it indicates that widespread gaming is a fact in Metropolitan Toronto.

Secondly, that despite the declared policy of the government and the requirements of the law, these clubs have been able to operate with relative impunity for long periods of time.

Thirdly, the action of the hon. Provincial Secretary's Department in granting charters to clubs in the face of police objection and the subsequent convictions of many clubs for gaming, leads one to conclude that the granting of charters was in fact a temporary licence to game. The failure of the hon. Attorney-General's Department to act against these clubs in the face of adverse police reports, indicates at least a complete lack of liaison between the hon. Attorney-General and the hon. Provincial Secretary. At worst, it could be said that negligence of the two departments permitted the operation of gaming houses.

Mr. Speaker, there are three other aspects of the problem presented with the social club charters that I would like to raise, and they are these:

1. The problem created by the failure of the government to make retroactive its regulations governing the change of address of a social club.

2. The interlocking nature of gaming clubs as revealed by a study of the solicitors employed to charter the clubs and to defend known gamblers.

3. The interlocking nature of gambling clubs as revealed by the presence of certain individuals, many of them convicted gamblers or convicted found-ins of gaming houses as officers, directors or members of many different social clubs.

Mr. Speaker, the first point deals with the government policy towards social club charters issued before 1949. The hon. Attorney-General's policy declaration outlines the government's policy from 1949 onward. The conditions relating to permission to change the address of a club and so forth, apparently were not to be applied to charters granted before 1949. I ask why these charters were not subjected to the same conditions and subject to the same regulations?

Failure to make the regulations retroactive, Mr. Speaker, suddenly gave a great potential value to many long dormant charters. As one charter was put out of business the operator of the gaming clubs simply activated an old charter and continued in business, very often on the very same site.

There is the case of 1289 Bloor Street West. In 1959 this was the Toronto branch of the Montcalm amateur athletic association, an Ottawa club that was closed up when the Ottawa headquarters was convicted of gaming. After cancellation of the Montcalm charter the Greek Canadian social club, which was organized in Ottawa in 1915 opened at the same address.

The public file makes it clear that this club had been dormant for many years and its records lost. The Toronto law firm of Herman, Moses and Rose and McReath and Lamar sought to produce substitute records, but the charter was cancelled on January 30, 1960, as a result of police representations.

Let us now look at 111½ King Street West. Until early 1959 this was the location of the Dorchester club of Picton which was incorporated in 1947. The charter was dissolved on May 14, 1959, as the result of a court conviction. The premises are currently occupied by the Community social club which was incorporated in 1934 and which is a suspected gaming house. The police know it to be at this address, but the hon. Provincial Secretary's records give the location of the Community social club as 1335 Dundas Street West.

Let us look at 1601 Dundas Street West. This address was the home of a Union Jack

social club which was dissolved on September 25, 1959, as a result of a court conviction. The same address was then used by the Nottawa community club until its charter was cancelled on March 28, 1960, as the result of police representations.

Lest the authorities take satisfaction from this, let me point out that the Nottawa club was incorporated originally in 1919, and the hon. Provincial Secretary's records will reveal a letter from the widow of one of the original directors stating that the club had been out of existence for 30 years. No returns for the club had been filed with the hon. Provincial Secretary from 1927 to 1958. A letter from the hon. Provincial Secretary's office written in 1958 to the last directors on record asked for returns for the period 1927 to 1958 prior to cancellation of the charter. Following this letter a Toronto law firm revived the charter and a new set of directors was appointed and the club was moved from Nottawa to Toronto.

Mr. Speaker, I could cite much more evidence of trafficking in social club charters; long dormant charters being suddenly revived, movement of club locations from one part of Ontario to another, failure to file returns with the hon. Provincial Secretary and operation of a succession of dubious and suspicious charters at the same addresses at which clubs had been closed because of court convictions.

This evidence raises two questions: why have the landlords of these illegal gambling clubs not been prosecuted under the available sections of the Criminal Code and why have not provincial government departments concerned not maintained their records so that chartered clubs can be policed with respect to application, transfers, charges, changes in control and so on?

I wonder, Mr. Speaker, if the provincial government departments involved in granting social club charters and enforcing the legal prohibitions against gaming ever compiled such a list and employed it when considering new applications for charters, transfers of old charters or in taking the initiative to cancel suspected clubs? The least that can be said for their failure to take reasonable and normal precautions against the long-term perpetuation of gaming houses in the guise of social clubs is that the departments concerned and their hon. Ministers were grossly negligent in their duties and utterly careless of their responsibilities.

Applause.

An hon. member: Grossly negligent. We need a new Provincial Secretary as well as an Attorney-General.

Mr. Wintermeyer: I think it is obvious, Mr. Speaker, that a full scale, wide-ranging Royal commission is required to investigate the true nature and extent of the gaming and gambling being conducted under the guise of social clubs. I think it is necessary for such Royal commission to investigate and report upon the negligence and carelessness of the hon. Attorney-General's department and the hon. Provincial Secretary's department and to ascertain the reasons why these departments have failed to enforce the law with respect to the issuance of social club charters.

I come now, Mr. Speaker, to my third question. What evidence is there that professional gambling has had and still has protection from the police and law enforcement agencies? Here again there is considerable evidence on the public record available to anyone who wishes to ferret it out. There has been evidence in court that Kenneth Lamorie and Carmen Lawrence, two members of the anti-gambling squad of the Ontario Provincial Police who were suspended and resigned in June of 1960, were warning gamblers in St. Catharines, Fort Erie, Thorold, Niagara Falls, Toronto, Cooksville—

Hon. Mr. Roberts: The hon. member is now quoting from evidence in connection with a case which is in front of the courts at the present time and—

Mr. Wintermeyer: Mr. Speaker, I know of no decision that you will ever make—

Hon. Mr. Roberts: Mr. Speaker, I ask you to rule that he be careful about what he says about those people.

Mr. Wintermeyer: I am prepared, Mr. Speaker—

Mr. Speaker: Order, order!

I am presuming that the learned hon. member, being a learned hon. member of the House, knows full well what he is speaking about and will assume full responsibility for every word he says—

Interjections by hon. members.

Mr. Speaker: Order, order! Should the hon. member make a mistake he will be judged, as has been mentioned in this House before, by the court of public opinion.

An hon. member: That is right.

Mr. Wintermeyer: Thank you, Mr. Speaker, and I will accept your direction. I will be responsible for everything that I have said and that I say from here on, and I vacate any privilege I have as a member of this House.

There has been evidence in court that Kenneth Lamorie and Carmen Lawrence, two members of the anti-gambling squad of the Ontario Provincial Police were suspended and resigned in June of 1960 for warning gamblers in St. Catharines, Fort Erie, Thorold, Niagara Falls, Toronto and Cooksville of impending raids by the police, and for this they received \$500 a month.

There has been evidence that in respect of the Niagara Falls operation the information was sold to one Sammie Balsam, a notorious bookmaker in that area, who, in turn, sold it to bookmakers as protection against being raided. There has been evidence that Kenneth Lawrence, while he was on the force, was operating a gaming house in Toronto called the Alpine hunting and fishing club.

There has been evidence that Robert J. Wright, a former member of the anti-gambling squad was protecting a gambling club in Windsor while he was a police officer and for this he received \$1,000 per month.

There has been evidence that Wright until his arrest on May 28, 1960, was in league with Joseph McDermott and Vincent Feeley and supplied them with tip-off information over a long period of time.

There has been evidence that Joseph McDermott, when warned on May 5, 1960, of an impending police raid on the Ramsey club in Niagara Falls, replied that he already knew about it and that he had been told by James Bartlett the Deputy Commissioner of the Ontario Provincial Police. There has been evidence that Deputy Commissioner Bartlett received \$2,000 from Joseph McDermott for informing him of the signing of search warrants before clubs were raided. There has been evidence that Inspector Allan Stringer, in charge of the Peterborough District of the Ontario Provincial Police telephoned McDermott and others to warn that the anti-gambling branch had planted an undercover man in gambling operations in Hamilton and that raids were about to take place.

There has been evidence that the anti-gambling branch received from Inspector Stringer an unsigned, undated brief on how to convict the old Ramsey club in Niagara

Falls and that this brief was actually prepared by Robert Wright and David Humphrey, the Toronto lawyer to whom I have already referred. There has been evidence that prior to the receipt of this brief Vincent Feeley gave the same information orally in several telephone calls to W. J. Shrubbs, then a member of the anti-gambling squad and now deputy chief of police at Peterborough. There has been evidence that Mr. Shrubbs became deputy chief at Peterborough because the gamblers wanted him out of the anti-gambling squad, and accomplished this by bribing some members of the selection committee which chose Mr. Shrubbs for the job.

There has been evidence that one J. F. Cronin, a former sergeant in the anti-gambling squad, supplied protection to Feeley and McDermott for some ten or 12 years, that he had the heart of a lion in his devotion to their interests and that by the time he was caught and discharged he had made \$100,000. There has been evidence that Don Scott, the assistant Crown attorney at Niagara Falls, was a pal of Feeley and McDermott, and that they hoped to get him appointed Crown attorney instead of the present incumbent, who from their point of view was much harder to get along with.

There has been evidence that Don Scott and an unidentified member of Parliament in the Niagara peninsula received some money to take the pressure off the club in Niagara Falls and the Niagara Falls area.

Now, Mr. Speaker, I have said there has been evidence given in court on all these matters I have listed. The hon. Attorney-General and others may say it is hearsay evidence. I agree with him, and I will deal with that point in a moment. Before I do, however, I wish to give the House some information which has not been given in court.

As most hon. members may know, most of the matters I have just enumerated result from an undercover investigation by Constable George Scott of the anti-gambling squad of the Ontario Provincial Police, who was instructed by his superiors to accept a proposition from Robert J. Wright that he supply warnings about raids and other information on the activities of the anti-gambling squad to certain gamblers, who were later identified as Vincent Feeley and Joseph McDermott.

Constable Scott, as is customary, kept an official diary of that undercover investigation and also supplied progress reports, directly to Assistant Commissioner Kennedy and Com-

missioner W. H. Clark who we may assume kept the hon. Attorney-General informed. Constable Scott's diary was not submitted in evidence at the trial of Wright, Feeley and McDermott, but because it formed the basis of the Crown's case, copies were supplied to the three defense counsel. Mr. Speaker, most of the entries in the diary came out in court, but some did not. I shall read the relevant items which were left out, omitting the names of the individuals concerned.

An entry on February 29, 1960, reported that Wright told Scott and I quote:

"Said the fix was in at Queen's Park, re cancellation of the Vets Club charter."

An entry concerning a phone call on May 14, 1960, reported that McDermott told Scott:

"May have inspector bribed at St. Kitts," and "Intimated—(and here the name of a senior official of the department of the hon. Attorney-General)—on payroll. Said to ask—(and again the name of the official)—something and I'll tell you what he has said the next day."

The entry for this date further reported when McDermott "Talked about the branch being stopped from using hammers at Cooksville and being told to time the door." Another entry dated May 16, 1960, said:

"Bartlett received money from McDermott for telling when warrants were signed. Received \$2,000 once at a party with—

And then a member of a previous government is named.

An entry concerning a meeting of Scott, Wright and Lawrence on May 17, 1961 reported that Lawrence said senior official of the hon. Attorney-General's department was receiving \$800 a month from the gamblers.

Mr. Speaker, why were these entries in Constable Scott's diary not introduced in evidence? No doubt the hon. Attorney-General may say it was all hearsay evidence, but not the sort of thing to be read in court without the support of other evidence. Why then, Mr. Speaker, were many of the matters which I have given to this House read into evidence? Most of them, the references to Lawrence, to Lamorie, to Cronin, to Bartlett, and so on, were on the same legal footing as the references which were not disclosed. The references to Stringer and to Wright were substantiated by other evidence but the remainder were not. Why then were some put in and others not?

I suggest the answer is very clear. Constable Scott's investigation lasted nearly four months, from February to May of 1960, his purpose was to ingratiate himself with the

gamblers, gain their confidence and to eventually deal with them on a face-to-face basis, so that incontrovertible evidence could be secured. The provincial police no doubt set great store by this investigation. Here were big-time gamblers who had evaded conviction for years; finally the police had succeeded in planting an undercover agent in their midst.

The information Constable Scott gathered during those four months was undoubtedly valuable but obviously the police felt he had by no means exhausted all the possibilities especially the possibility of face-to-face contact with the gamblers. Mr. Speaker, there has been absolutely no suggestion that Constable Scott's true purpose was discovered by the gamblers. That being the case, and recognizing that the police themselves would want the investigation to continue, what conclusion is possible but that it was stopped on the orders of the hon. Attorney-General? The reference to the member of the previous government—

Hon. Mr. Roberts: I would just like to say that that is an absolute and completely false conclusion.

Mr. Wintermeyer: Mr. Speaker, I have taken great precautions, I am much concerned about this matter. I will give the hon. Attorney-General every opportunity. All I ask is that he give the public of the province the opportunity of an impartial investigation.

Mr. Reaume: And that is exactly what he does not want.

Mr. Wintermeyer: Now these entries, Mr. Speaker, were recorded on May 14, May 16 and May 17, 1960. Robert Wright was arrested on May 27, 1960, a short two weeks later. Some time between those dates the investigation was terminated.

Now, Mr. Speaker, I would now like to present some additional information touching on this whole matter.

I have mentioned the name of J. F. Cronin, the lion-hearted helpmate of the gamblers while he was in charge of the anti-gambling squad of the Ontario Provincial Police. Mr. Speaker, it is a matter of record that this man is in some way involved with Vincent Feeley and probably with Joseph McDermott in a drug business. There has been evidence in court that the two gamblers were interested in a drug firm. I am informed the product involved is called Dewsbury's ointment and it has been registered as a patent medicine with the federal Department of Health since

1936. I have not found any drug store or druggist who knows anything about Dewsbury's ointment or its ingredients nor are its ingredients a matter of public information because the federal requirements governing publication have been waived at the request of the licensee on the ground that it is a secret preparation. The records of the federal Department of Health show the head of the firm to be Vincent Feeley and the address of the manufacturer to be 1508 Kenneth Drive, Port Credit. Mr. Speaker, that address is the residence of J. F. Cronin and is only a stone's throw away from the Rometown Drive home of Joseph McDermott.

Perhaps the hon. Attorney-General would be good enough to tell the House, Mr. Speaker, what the gamblers and their friend Mr. Cronin were doing with a licence to manufacture a drug preparation which cannot be found in the marketplace. Or is this another matter which could not be pursued because of the untimely termination of Constable Scott's investigation?

I have had occasion to mention W. J. Shrubbs, new deputy chief at Peterborough. The gamblers wanted Mr. Shrubbs off the anti-gambling squad and the Ontario Provincial Police because they could not buy him. In May of 1955 Mr. Shrubbs had a conversation with J. F. Cronin, in which Cronin admitted he had a share in the Cooksville veterans club. Cronin also told Shrubbs the gamblers would be opening other clubs which could mean a lot of money to Mr. Shrubbs if he fell in with them. Cronin also hinted to Shrubbs that he knew an inspector of the O.P.P. at Peterborough who would endorse this proposition.

Mr. Speaker, Mr. Shrubbs sent a confidential report on this conversation to the then Commissioner of the Ontario Provincial Police. He was to find out later during conversations with Vincent Feeley that the gamblers knew of this report and its contents. Some time after his talk with Cronin, Mr. Shrubbs was approached out of channels by Inspector Allan Stringer of the Peterborough District of the O.P.P. with an offer of a sergeant's post in his district, a job which would have meant a promotion and a salary increase. I am informed that Inspector Stringer made similar offers to members of the anti-gambling squad who had spurned bribes by the gamblers.

After Mr. Shrubbs turned this proposition down he was telephoned on a number of occasions by Vincent Feeley who insisted on seeing him on a matter of legitimate business. It turned out that Feeley's proposal was that

he and Shrubb go into the service station business because Feeley had been reliably informed that four service stations were to be erected on Highway 400 and that through his political friends he was assured of one of these locations.

Deputy Chief Shrubb was a witness at the trial of Feeley, McDermott and Wright. He testified as to phone calls he received from Feeley in May of 1958 in which Feeley gave him detailed advice on how to close up the old Ramsey club in Niagara Falls. The House will recall that it was in August of 1958 that the anti-gambling squad received an undated, unsigned brief to the same effect.

I do not intend to recount what Mr. Shrubb said in evidence, Mr. Speaker. I intend to tell you what he did not say and what I suggest he was not permitted to say.

During one of those telephone calls from Feeley a break in the connection occurred and Mr. Shrubb on receiving the operator was able to determine the number from which Feeley had been calling. It was a Port Credit number and it turned out to be listed to another name, but Mr. Shrubb was able to execute search on telephone company records and determine what long distance calls had been made from the number. He found in May and June of 1958 that calls were made from the Port Credit number, CR. 8-2538, to the following numbers:

Peterborough, RI. 5-6310, with the toll slip noting the name Stringer; Niagara Falls, Ontario, EL. 4-5071, with the notation Jolli; Niagara Falls, Ontario, EL. 4-4874, with the notation Berelli, the representative of Feeley and McDermott in the Niagara Falls area; Windsor, CL. 2-8645, with the notation Gardner, who is Curly Gardner, manager of the Roseland club; Scarborough, PL. 9-3007, R. J. Wright, 117 Gooderham. Calls to the home telephone number of a senior official of the Ontario Attorney-General's department, whose name was also noted.

I should point out to the House that the official referred to here is not the same as the official referred to previously.

A call to the home telephone number together with the name of the member of this government to which I have already referred. Ridgeway 5-11J12, Fred House, the then Reeve of Bertie township, site of the Frontier club. Fort Erie 5-57, Lloyd Williams, Fort Erie councillor. Fort Erie 9-84, Michael's Restaurant, 179 Garrison Road, and the business phone of Mike Tartaglia, then the Reeve of Fort Erie.

Mr. Speaker, Mr. Shrubb could have testified as to these phone calls at the trial of

Feeley, McDermott and Wright, and he could have produced photostatic copies of the telephone toll slips to show that the phone calls took place. Such evidence would have gone a long way, I suggest, in proving the conspiracy in which Feeley, McDermott and Wright were charged.

But that was not all that Mr. Shrubb could have said. He could have testified in much greater detail concerning Feeley's advice on how the police could close up the old Ramsey club. He could have testified that Feeley told him such a police effort would not backfire like the time the police took everybody to Brampton; that Feeley said he could promise from the hon. Attorney-General's office that he would not roar down on the police; that Feeley said he could guarantee the hon. Attorney-General's office would not take a dim view of the plan.

Now, Mr. Speaker, what is the meaning of these curious statements? The meaning is clear once certain facts are understood.

The House will recall that Feeley and McDermott wanted to set up operations in Niagara Falls, because after Bertie township took over its own policing in January of 1958 they were subjected to constant police harassment of their Frontier club near Fort Erie. However, the old Ramsey club was getting all the action at Niagara Falls. Feeley and McDermott therefore decided they would have to take over the Ramsey club and they determined they could do this by first setting the police to close up the club.

This would demonstrate to the American owners involved that their Canadian colleagues in the old Ramsey club at that time did not have the police protection and influence that they claimed to have; that Feeley and McDermott were the people to deal with; and having demonstrated that, Feeley and McDermott would be in a position to make a deal with the Americans and re-open the club under joint auspices.

Mr. Speaker, this is exactly what happened. The police were supplied with detailed information on how the old Ramsey club operated and how it could be convicted. The club was raided and closed up, although after a most undue delay the magistrate dismissed the charges. The key fact, however, is that when the Ramsey club re-opened at the new premises Feeley and McDermott were the Canadian associates of the American owners.

The information supplied to the police both in the form of Feeley's telephone conversations with Mr. Shrubb and later in the form

of a brief from Inspector Stringer dealt in some detail with Section 174 of the Criminal Code. Under this section persons found in a suspected gaming or betting premises may be brought before a justice of the peace for an examination under oath and *in camera*. The gamblers were obviously most anxious that this section should be invoked by the police in raiding the old Ramsey club.

It is clear, however, that they regarded this section of the Criminal Code as a deadly weapon in the hands of the police when used against their own gambling clubs. Constable Scott, the undercover agent, testified that in the telephone conversation with Joseph McDermott on May 13, 1960, McDermott told him that the section of the Code dealing with the powers of the police to take people found in a gaming house off for examination under oath was what closed the clubs up if it was used. He added that McDermott told him not to repeat this to anyone.

There was also testimony by Constable Scott on another point, that the police executed a search warrant in the Cooksville veterans club in November of 1954 and all the occupants of the club were taken to the court house at Brampton to be examined under oath. It is in this context that I ask the House to consider Feeley's remarks to Mr. Shrubbs, that he could promise the hon. Attorney-General's office would not roar down on the police if they used Section 174 of the Criminal Code to close up the old Ramsey club.

Now, Mr. Speaker, the provincial police did raid the Centre Road veterans club at Cooksville on November 24, 1954, and seven of the 34 found-ins were held overnight at Brampton and brought under oath and *in camera* the next morning by Crown Attorney Davis before Magistrate Blain. Legal counsel for the club was present and allowed to cross-examine. During these proceedings, Mr. Speaker, Mr. Davis received a message to call the hon. Attorney-General's office. He did so and was instructed to—

Hon. Mr. Roberts: Would the hon. leader of the Opposition just give the date?

Mr. Wintermeyer: November 24, 1954.

Hon. Mr. Roberts: That is the one he brought up previously.

Mr. Wintermeyer: That is right. No question. What I am trying to point out is simply to explain the significance of the comment of Mr. Feeley.

During these proceedings, Mr. Speaker, Mr. Davis received a message to call—I am sorry.

What an irony it is then, Mr. Speaker, to read the Morton report and to see how it dismisses this whole question of chartered clubs as a red herring with the suggestion that if only police officers, prosecutors and magistrates understood the law a little better they would make use of the great assistance that is afforded to them by Section 174 of the Criminal Code.

There is one final matter I must deal with in my remarks at this time. I do so most reluctantly, not only because it is a most sensitive issue, but because I am not in a position to give the House all the information in my possession without violating well established rules of debate. I feel I must bring it to the attention of the House as best I can, however, because of the serious nature of the issue. I ask the House to consider these facts.

Hon. members will recall I have described the composition of Joseph McDermott's hunting party at James Bay goose club in the fall of 1958. I have stated the names of seven of the eight men in that party. I now tell the House that the eighth man was one Arthur B. Monteith of Toronto, and that in a prospectus filed with the Ontario Securities Commission on February 7, 1961, he was identified as secretary-treasurer and a director of KRNO Mines Limited, a mining venture in which Feeley and McDermott held the vendor shares.

As of June of 1960, the records of the Port Arthur mining office show there were only 300 mining claims in the Big Duck Lake area north of Schreiber on Lake Superior registered to either Feeley, McDermott or KRNO Mines. The same records show Arthur B. Monteith to be a claim holder in the same area, and Monteith visited the Port Arthur mining office in the company of Feeley and McDermott in the summer of 1960.

The prospectus filed with the Ontario Securities Commission on February 7, 1961, was an application for O.S.C. permission to release the vendor shares for public sale. By this time, however, the names of Feeley and McDermott had become somewhat notorious and permission was not granted. Because the application was not technically in order was, well, technical reasons were given to the applicants. The directors of KRNO mines, therefore, had no reason to suspect that the matter could not be cleared up and the shares placed on the public market when on May 16,

1960, they decided to designate Davidson and Company, a prominent brokerage firm, as the trading agent for KRNO stock.

Mr. Speaker, Arthur B. Monteith has for several years been an employee, a customer's man with Davidson and Company. Mr. Speaker, the foreman of the jury which tried Feeley, McDermott and Wright was vice-president of Davidson and Company. The panel of petit jurors summoned to attend on May 29, 1961, for the sittings of the Supreme Court of Ontario in the county of York contained 90 names. A murder trial had first call on the jury list and 16 names were removed, leaving 74 available for the trial of Feeley, McDermott and Wright.

Mr. Speaker, the defence counsel in that murder trial was approached separately by two lawyers immediately before his court began and was asked by each lawyer to challenge two names should they be called for the jury in this case. The defence counsel thought nothing in particular about these requests partly because, as hon. members may know, it is a device used by citizens who do not wish to do jury service, and partly because he had planned to challenge the four names he had been given anyway because their occupations indicated that they might be unsympathetic to his client.

Two of the four names he was asked to challenge were drawn and were challenged. All four men served on the jury hearing the case of Feeley, McDermott and Wright. That is all I am going to say about the jury, Mr. Speaker. I have further information in particular with regard to the deliberations of the jury and the jurymen which I have decided not to give this House. I feel it is not my right nor my duty to say more.

This is the function and this is the point I want to make throughout, Mr. Speaker. I feel an obligation as leader of the Opposition and as spokesman and person responsible in this House to do the difficult thing and to bring these facts to the attention of this House so that an independent inquiry can be made. I charge no man, I judge no man but I feel it conscientiously to be my duty to enunciate the facts that I have outlined so that an intelligible determination can be gained and made for our request to hold an impartial and a judicial inquiry into all these matters.

Applause.

Mr. Wintermeyer: Nor am I going to discuss at length the subject of KRNO Mines Limited. I will simply tell the House the

company was incorporated provincially on September 10, 1959, and that David Humphrey was identified as president and Charles Philips, an accountant in the law firm of Humphrey, Locke as secretary-treasurer. Humphrey was also identified as the promoter, Feeley and McDermott as the vendors. In the February 7, 1961, application, Humphrey continued to be president, but Arthur B. Monteith was named secretary-treasurer and one J. B. McNamara of 28 Edgar Avenue, Toronto, was named vice-president.

I wonder, Mr. Speaker, if the hon. Provincial Secretary knows who J. P. McNamara is? Hon. members may wish to consult the file of the Centre Road veterans association in the company's records office of the hon. Provincial Secretary's department. They will find one John McNamara of 2360 Edenhurst Drive, Cooksville, listed as a director of the club in 1960 and an indication that he was the manager of the club. Mr. Speaker, the McNamara of the Vets club and the McNamara of KRNO Mines Limited are one and the same man.

Mr. McNamara is also the publisher of the *Veterans Advocate*, a publication of the army, navy and air force veterans association of Canada and has wielded some considerable influence in that organization. Hon. members will recall that the Centre Road club was once a branch of the federally incorporated army, navy and air force veterans association. Perhaps the hon. Provincial Secretary will remember Mr. McNamara as a defence witness, so to speak, at closed hearings on the February 11 and February 17—excuse me—1960, before the Deputy Provincial Secretary to show cause why the—

Hon. Mr. Yaremko: Mr. Speaker, may I bring to the attention of the House that it is not the present Provincial Secretary.

Mr. Wintermeyer: Yes, I did not intend that.

Hon. Mr. Yaremko: No, but that is the way it sounded.

Mr. Wintermeyer: Well, I am sorry if I created that impression and I will read it again.

Perhaps the Provincial Secretary will remember—it may be that I should have said the Provincial Secretary of the day will remember—

An hon. member: And we have a new hon. Prime Minister too. He will be up in a minute.

Mr. Wintermeyer: —Mr. McNamara as a defence witness, so to speak, at closed hearings on February 11, 1960, and on February 17, 1960, before the Deputy Provincial Secretary to show cause why the Centre Road club's provincial charter should not be cancelled on the ground that it was being used for illegal gambling.

Perhaps the hon. Provincial Secretary will remember the fantastic story Mr. McNamara told at those hearings about how the president of the army, navy and air force veterans association had conducted an investigation into allegations against the club and had given it a clear bill of health and how he took his position in the club to keep an eye on things because it had been more or less forced on him as the decent thing to do. And perhaps the hon. Provincial Secretary can explain why no cancellation was ordered for months and that, in fact, the charter was not dissolved until June 14, 1960, after Robert Wright was arrested and everybody knew the jig was up.

Perhaps Mr. McNamara can explain how the vice-presidency of the gamblers' mining company was forced on him in February of 1961, several months after it was known that everything had not been so decent at the Centre Road club after all.

Mr. Speaker, one of the characteristics of organized crime demonstrated by the New York crime commission was the use of violence. The commission said that beatings and even murder were the consequences of the presence of organized crime in a community. There has been evidence in Ontario that physical violence and murder are associated with the activities of gamblers. I will cite several cases:

On March 21, 1961, Max Bluestein, a convicted gambler, was savagely beaten by a number of men in the Town Tavern in downtown Toronto. He was beaten with brass knuckles, iron bars and fists. He was knocked down and kicked and a broken bottle was ground into his mouth and face. According to reports, Mr. Bluestein was beaten by a group of men acting for rivals who wanted to share the enormous profits of Bluestein's illegal gambling enterprises in Toronto.

Mr. Speaker, let me outline a little of Mr. Bluestein's background. In December of 1960 he was convicted along with Sam Binder of operating a common gaming house in the Lakeview club on Bathurst Street near Eglinton Avenue. Magistrate Addison in passing sentence of a fine of \$15,000, or four months in jail estimated Mr. Bluestein's Lakeview club did an annual volume of gambling in

excess of \$13 million with a profit to Mr. Bluestein of more than \$1 million.

Mr. Bluestein obviously could pay the fine but it was reported in the press that he chose to go to the Ontario Reformatory at Mimico because paying the fine would cause him an income tax problem. While at Mimico a trusted lieutenant told him that rivals wished to take over four large floating crap games which Mr. Bluestein controlled in Toronto hotels. At this point Mr. Bluestein decided to pay his fine in order to gain his freedom and the opportunity to meet the challenge to his gambling empire. It was curious that when Mr. Bluestein came to pay his fine, it was discovered that a clerical error in the court record made him liable only for a fine of \$4,000 and not \$5,000.

It was reported in the press at the time of Mr. Bluestein's beating at the Town Tavern that almost half of the hundred people present had been invited to witness what subsequently took place. This was a public demonstration to the gambling fraternity of Toronto that violence would be used to capture and control illegal betting here. Despite the fact that a hundred persons were in the tavern no one came forward to give evidence to the police. The tavern's hat check girl and doorman, as well as the customers were thoroughly intimidated.

One month later, after the police held *in camera* hearings with 12 witnesses, warrants were issued for men—for four men—on a charge of assault causing bodily harm. These men were Jack Weaver, Frank Marchildon, Fred Gabourie and John Papalia. The first three, arrested April 23, 1961, have already been identified as convicted gamblers and members of various social clubs convicted or suspected of being gaming houses. The fourth man, Johnny Papalia of Hamilton, gave himself up to police on May 12, 1961, 48 days after the Bluestein beating and at a time when the New York State police had a warrant for his arrest in connection with the largest narcotic ring ever uncovered in the United States.

Mr. Papalia was a member of the veterans club, he was convicted of beating Max Bluestein and is now serving a sentence of 13 months in an Ontario reformatory.

Mr. Speaker, the New York crime commission pointed out that the three principal fonts of revenue for organized crime were illegal gambling, trafficking in narcotics and labour racketeering. In Johnny Papalia we have a direct link between the gamblers and the dope pedlars. The New York District Attorney charged 20 men, four of them Canadians,

as being part of the conspiracy which smuggled drugs worth \$150 million on the black market into the United States in the course of the past several years.

Of the 20 charged several left the United States forfeiting bail of \$20,000 to \$50,000 each. One man was murdered in Brooklyn, New York, last summer, another tried to commit suicide, a third was declared insane, and unfit for trial. A fourth was Alberto Agueci of Toronto, whose beaten, strangled and burned body was found last week near Rochester, New York. Some of the men charged in New York have been identified by federal narcotics authorities in the United States as members of the Mafia.

Another characteristic of organized crime as revealed by the New York State commission was that of extortion. Do we have examples of extortion in Ontario, Mr. Speaker? Last April, Toronto *Daily Star* columnist Pierre Berton published stories about gangland beatings of Toronto stockbrokers who refused to pay protection money. Beatings have been reported in Hamilton. Gwyn Thomas in the Toronto *Daily Star* on April 10, 1961, reported that beatings and shake-downs had been going on in Toronto for the preceding two years. Attempts to corrupt law enforcement authorities is another characteristic of organized crime.

I have already related the extent to which gamblers corrupted the Ontario Provincial Police anti-gambling squad. Gamblers have also attempted to corrupt magistrates in the Toronto area. It has been widely reported, Mr. Speaker, that Magistrate Fred Thompson was threatened some few years ago on the day before he was to hear a case against a well-known gambler. Magistrate Thompson reported this to the hon. Attorney-General. It would be interesting to know what the hon. Attorney-General did about it.

It has been reported that an attempt to bribe Magistrate Addison with \$50,000 was made prior to the trial of another well-known gambler. It would be interesting, Mr. Speaker, to know what steps, if any, the hon. Attorney-General took in this matter.

I have cited the murder of Earl Atwood in connection with the Roseland club, and no doubt the hon. Attorney-General is familiar with that case. I wonder if he is familiar with the case of Peter "Scrit" Mitchell, one of the gang in the old Ramsey club. According to evidence in court Mitchell held his position in the organization by reason of his alleged ability to provide the club with political protection. According to evidence his position became somewhat tenuous and he is

said to have talked too much. It is no secret, Mr. Speaker, that Scrit Mitchell disappeared suddenly and has not been seen for a long time. I wonder if the hon. Attorney-General would know where Mitchell is.

Mr. Speaker, physical violence, extortion, intimidation, bribery and attempted bribery, drug trafficking, and even murder, have all accompanied the growth of illegal gambling in Ontario. They are the inevitable corollary of organized crime. In recent years, however, a new and equally frightening aspect has appeared to this relationship between professional gambling and other illegal activity. It is the use of illegal gambling revenues to promote fraudulent stock deals. I will not weary the House with the complicated details of any particular case. Instead I would simply cite some cases of record in which evidence of syndicate money has been found.

There was the case some two years ago of Shoreland Mines Limited, a dormant Toronto firm. There was the case of Manor Securities Limited in the Maritimes. There was the investigation and report of the acting administrator of The Securities Fraud Prevention Act in New Brunswick last year into the activities of Canam Investments Limited, and of a number of related companies and individuals. This investigation found links with racketeers in Toronto and New York.

If time permitted I could show the House an association between some of these racketeers and some of the professional gamblers. I have named earlier in my remarks. I have cited the shakedown and attempted shakedown of certain stockbrokers. It is no great secret, Mr. Speaker, that the culprit here, certainly one of the culprits, was Johnny Papalia. It is no great secret that the stockbrokers concerned were really so-called stockateers, the high pressure brokers and dealers who live on the fringes of securities law. At least two of the men coerced by Papalia were frequent visitors at the Centre Road veterans club.

I had occasion to mention Eric Cradock and J. B. Ryan, the operators of the James Bay goose club. They are associated in Cradock Holdings Limited, Toronto, and both have poor records, to say the least, with the Ontario securities commission. Cradock offices were once used by Jack Weaver and Fred Gabourie for a big back-end booking operation.

I can cite the case of Jaylac Mines Limited, a stock promotion which resulted this month in the cancellation by the Ontario securities

commission of the registration of two Toronto stock dealers. The commission identified one Ivan Gordon as a representative of Jaylac interests who disappeared in 1960 following the removal and probable disappearance of all Jaylac's liquidated assets. Here again a detailed examination would reveal an association with ventures in which professional gamblers were and may still be involved.

If for no other reason, Mr. Speaker, a Royal commission is necessary to discover and expose the use of illegal gambling revenues in the participation of professional gamblers and their associates in fraudulent stock promotions.

I now come, Mr. Speaker, to the fifth and final question. The New York crime commission found that one of the characteristics of organized crime is its penetration into legitimate business. What evidence is there that this has happened in Ontario? I could give the House a number of references but I will detail only one because it is a classic example of what has happened and what can happen.

On June 27, this year the chief of police of Metropolitan Toronto told a meeting of law enforcement officers in Buffalo that a questionable group of men were operating an airline service from Toronto to the United States and the Caribbean area. Mr. Mackey said that although no criminal activity had been discovered the airline would be watched closely because of the ease with which private aircraft can cross international borders and evade customs inspections and regulations.

Mr. Speaker, the name of that airline is Airgo Limited and it was run for a considerable period of time by Vincent Feeley and Joseph McDermott. Airgo Limited was incorporated by federal charter on August 11, 1958. The original owners were a Toronto lawyer and his brother-in-law who allegedly were interested in operating a rent-a-plane service at Toronto Island airport.

On July 3, 1959, the Air Transport Board issued a licence authorizing Airgo Limited to operate a flying training school and a commercial passenger and freight service in Canada. This licence became effective when the federal Department of Transport issued an operating certificate on August 21, 1959. On September 15, 1959, the Air Transport Board issued another licence to Airgo Limited authorizing it to make flights to and from the United States. This became effective when the federal transport department issued an operating certificate on October 13, 1959.

Mr. Speaker, on October 19, 1959, six days

after Airgo Limited was in business to make flights to the United States, the owners sold the airline to two Toronto lawyers who said they were acting for undisclosed principals. Those lawyers were David Humphrey and Hugh Locke of the firm of Humphrey & Locke. The deal was consummated in the lobby of a downtown Toronto bank when Mr. Locke handed over a large sum of cash money to one of the original owners.

Mr. Speaker, in the course of their investigation of Feeley and McDermott on other matters the police executed a search warrant for the law offices of Humphrey & Locke, and it is no great secret that among the other documents seized was a record of meetings in those offices concerning Airgo business. This record shows that those present at the meeting were Hugh Locke and his accountant, Charles Philips, the operations manager of the airline and Vincent Feeley. The *Aviation Directory* of Canada, a private publication which compiled its listings on the basis of information supplied by the airlines themselves, also listed David Humphrey as vice-president and Hugh Locke as secretary of Airgo Limited for 1960 and 1961.

Nor is it any great secret, Mr. Speaker, that police seized a document in the law offices of Humphrey & Locke drawn up in May of 1960. This document is a conditional sales document whereby David Humphrey, Hugh Locke, Joseph McDermott and Peter Fielding agreed to sell Airgo Limited to Robert S. Wong, subject to the approval of the Air Transport Board and other conditions. Peter Fielding is an alias used by Vincent Feeley and Robert S. Wong is a manager at Toronto Island airport. The deal apparently fell through but the document is at least indicative of the substantial financial interest in Airgo Limited by Vincent Feeley and Joseph McDermott.

I can also tell the House that Feeley and McDermott were frequently seen about Airgo's offices at Toronto Island airport, and that they identified themselves to the employees as the owners and operators of Airgo Limited. Further I can say that George Reid, the trusted lieutenant of Feeley and McDermott in gambling club operations, was placed on the Airgo payroll after the Centre Road veterans club closed down.

Joseph McDermott took a chattel mortgage for \$20,000 on certain aircraft when Airgo Limited was sold to the present owners some time last winter. Yet despite all this evidence of participation by Feeley and McDermott in the ownership and control of Airgo Limited

for a period of over one year there is no record with either the Air Transport Board or the federal Department of Transport of the sale of the airline from the original owners in October of 1959.

In August of 1960, and I point out, Mr. Speaker, that this would be shortly after Robert Wright was arrested and the gamblers had discovered the police had had an undercover agent in their midst, the Air Transport Board did receive a vague letter from Humphrey & Locke indicating there had been a transfer of ownership, not to Feeley and McDermott, but to the current owners.

Clearly, Mr. Speaker, a serious evasion of law occurred in this case. Federal regulations provide that the air transport board must be informed of any sale or transfer of stock exceeding five per cent of the total stock, and must approve such sale or transfer. Failure to do so can mean cancellation of the airline's licence and legal prosecution. Clearly, the regulations were violated in this case and there can be little doubt the law was evaded in order to conceal Feeley and McDermott's participation in Airgo Limited.

I shall say nothing, Mr. Speaker, about why they wanted to run an airline, nor shall I say anything about the present ownership of Airgo Limited. Chief Mackey's statement can speak for itself. But I do suggest most strongly, Mr. Speaker, that here again is the type of illegal activity requiring investigation by a Royal commission.

Mr. Speaker, this speech has been long and full of detail. The material is complex and technical. For those reasons it presents a special difficulty for the hon. members of the House to grasp all its meaning readily and easily. I am also aware that much of the material is sensitive in nature. However, I want to emphasize, Mr. Speaker, that I have made no charges of culpable wrongdoing against any person. I have not made and I do not now make any judgment about the legal or moral guilt of any man. What I have done is to present in this House a number of facts which I am convinced demonstrates that organized crime exists in Ontario and requires investigation.

I believe that the only satisfactory investigation can be that of a Royal commission. The characteristics of organized crime which were demonstrated by the New York State crime commission are all manifest in Ontario. I think it is obvious that an investigation of organized crime by the department of the hon. Attorney-General would be in the nature of an internal house cleaning.

That is needed, but it is not sufficient. I think it is obvious that a Royal commission, independent of government, is the only adequate device for investigating organized crime.

Mr. Speaker, I believe that this Royal commission should be headed by a Justice of the Supreme Court of Ontario. He should be aided by a counsel who will be empowered and directed to investigate all aspects of the problem of organized crime. The commission's terms of reference should require investigation into the extent of organized crime in Ontario; the link between professional gamblers and their counterparts and associates in the United States; the records of the department of the hon. Provincial Secretary in its handling of social club charters; the failure of the department of the hon. Attorney-General to carry out government policy and to enforce the laws relating to gambling; the link between illegal gambling and other criminal activity; especially links with trafficking in narcotics; the penetration of legitimate business by professional gamblers; the contamination of our processes of law enforcement by attempts to influence courts and their operation; and finally the use of legal fronts for illegal activities.

The commissioner and chief counsel should be assisted by adequate staff of trained investigators. The commissioner should have the power to subpoena witnesses and to hear their testimony under oath and if necessary at times *in camera*. The commission should also be empowered to hold public hearings if deemed advisable as a means of bringing home to the general public the nature and scope of the menace which organized crime presents. The commission should be required to prepare a report of its findings for presentation to this House.

Mr. Speaker, I and my party will not be satisfied with anything less than the type of commission and inquiry which I have outlined. I appeal directly to the hon. Prime Minister (Mr. Robarts), to appoint such a commission and to give it terms of reference that encompass the matters I have enumerated. I wish to assure him and all the hon. members of the House that if the present government does not undertake to appoint such a commission and to direct it to undertake such an inquiry, the next Liberal government will do so at the earliest opportunity.

Applause.

Mr. Wintermeyer: Mr. Speaker, that concludes the portion of the address related to crime. I have but a few additional comments,

and at your instruction I will adjourn the debate now to continue later, or, if you prefer, I will continue now and conclude all my address.

Mr. Speaker: I would ask the hon. leader of the Opposition would he take very long to finish. If the hon. members agree for him to go ahead, why—

Mr. Wintermeyer: Well, Mr. Speaker, I note that it is now six of the clock—

Interjections by hon. members.

Mr. Speaker: It is quite obvious that the hon. member was quite prepared to finish his address—

Hon. J. P. Robarts (Prime Minister): Leave it up to the hon. members.

Mr. Speaker: —however, the hon. Prime Minister has mentioned—

Mr. Wintermeyer: Mr. Speaker, I said at the outset of my address this afternoon that it was my intention to concentrate on the subject of crime. Mr. Speaker, no address that I have ever prepared has given me more concern, no address has been more difficult to present and I assure you, in summary, that I tried to do so as an hon. member of this Legislature.

I want to enforce and to reinforce the observation that I made several times, that I feel a public responsibility to say the things that I said. And I feel sufficiently strongly about it, Mr. Speaker, that I am prepared to vacate the privileges that are normally given to an hon. member in an address of this sort.

However, now, Mr. Speaker, I refer to other matters, other than crime. And I can, very briefly, I think, assist all hon. members of this House by referring very briefly to the other subjects that I intended to talk about, subjects that subsequent debates will permit of great opportunity for explanation and development.

It is my intention, therefore, at this time to refer only briefly to given positions I and my party have taken in respect to several problems in Ontario.

I have suggested on a number of occasions, Mr. Speaker, that the problem of sales tax, as we have it in Ontario, has resulted from a failure on the part of the government over a long period of time to accurately assess the financial conditions of the province. I feel

very strongly, Mr. Speaker, that even now with the implementation of the sales tax what has happened is that the tax has been implemented without due consideration and without due timing. I feel that the opportunity is present, even now, to exempt all purchases up to \$25 and to lose only a small portion of the total revenue that is available by the imposition of this tax.

I feel very strongly, Mr. Speaker, about the matter of agriculture and I would say that the big duty and responsibility of this government is to assure the farmers of this province—particularly the man who farms 100 acres, the family farm—give him the assurance that he is going to be given the opportunity to carry on that farm. His net income today is less than it has been ever since Confederation. The simple fact, Mr. Speaker, is that he does not have any assurance today that this government will co-operate with him in building co-operatives and otherwise assisting him technologically, scientifically, financially and co-operatively to assure that he can compete with the large competitors that are growing up to compete with the small farmer.

I feel very strongly, Mr. Speaker, about the matter of the lack of leadership of the government in respect to municipal refinancing, or at least the re-organization of municipal financing and the opportunity, Mr. Speaker, of municipalities to finance their responsibilities.

Mr. Speaker, I would ask your permission now to adjourn because I feel that I can in five or ten minutes tomorrow express myself more effectively and more directly and more cogently than I will. I assure you that with no more than five or ten minutes I will read the amendments that I have prepared to the Address to the Throne. Therefore I would like to adjourn the debate.

Mr. Speaker: Mr. Wintermeyer moves the adjournment of the debate. Is it the pleasure of the House the motion carry?

Motion agreed to.

Hon. Mr. Robarts: We will resume the debate tomorrow.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.05 o'clock p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, November 30, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, NOVEMBER 30, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery Gulfstream Road Public School, Toronto and in the west gallery McArthur Public School, St. Catharines.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Clerk of the House: Mr. R. Belisle from the standing committee on standing orders presents the committee's first report and moves its adoption.

Your committee has carefully examined the following petitions and finds the notices, as published in each case, sufficient:

Of the corporation of Greater Oshawa Community Chest praying that an Act may pass authorizing it to give notice of meetings by publishing such notice in a newspaper.

Of the corporation of the village of Erie Beach praying that an Act may pass allowing it to be represented on the county council of the county of Kent.

Of the corporation of the city of Belleville praying that an Act may pass amending The City of Belleville Act, 1948, to permit monies held by the board of governors of the Belleville General Hospital to be kept in a trust company registered under The Loan and Trust Corporations Act, as well as in a chartered bank.

Of the corporation of the city of Toronto praying that an Act may pass authorizing insurance for members of city council travelling on business of the corporation; and for other purposes.

Of the corporation of the village of Markham praying that an Act may pass confirming an agreement for the construction of a community centre building and arena, confirming

a by-law relating thereto and authorizing the issue of debentures therefor.

Of the corporation of the county of Halton praying that an Act may pass authorizing it to receive from persons, or for the credit of persons admitted to homes for the aged, etc.; real and personal property and to administer such property.

Of the corporation of the city of St. Catharines praying that an Act may pass establishing the St. Catharines Transit Commission; and for other purposes.

Of the corporation of the township of Nepean praying that an Act may pass confirming debenture by-laws for school construction.

Of Nepean Township High School District Board and Collegiate Institute Board of Ottawa praying that an Act may pass confirming an agreement for the erection in the township of Nepean, by the said township board, of secondary schools to be operated by the said Ottawa board.

Of the board of trustees of the Roman Catholic separate schools for the city of Ottawa praying that an Act may pass raising the membership of the board from nine to ten.

Of the corporation of the Young Men's-Young Women's Christian Association of Cornwall praying that an Act may pass exempting its real property from municipal taxation except for local improvements.

Of the corporation of the township of Wicksteed authorizing certain school construction and debentures therefor.

Of the corporation of the Queen Elizabeth Hospital for Incurables, Toronto, praying that an Act may pass changing its name to the Queen Elizabeth Hospital, Toronto.

Of the corporation of Ontario Co-operative Credit Society praying that an Act may pass increasing the authorized capital of the society.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

THE CITY OF ST. CATHARINES ACT

Mr. E. P. Morningstar (Welland) moves first reading of bill intituled An Act Respecting the City of St. Catharines.

Motion agreed to; first reading of the bill.

THE COUNTY OF HALTON ACT

Mr. S. L. Hall (Halton) moves first reading of bill intituled An Act Respecting the County of Halton.

Motion agreed to; first reading of the bill.

THE CITY OF BELLEVILLE ACT

Mr. E. Sandercock (Hastings West) moves first reading of bill intituled An Act Respecting the City of Belleville.

Motion agreed to; first reading of the bill.

THE Y.M.C.A.-Y.W.C.A. OF CORNWALL ACT

Mr. P. Manley (Stormont) moves first reading of bill intituled An Act Respecting the Young Men's-Young Women's Christian Association of Cornwall.

Motion agreed to; first reading of the bill.

THE NEPEAN TOWNSHIP SCHOOL AND OTTAWA COLLEGIATE ACT

Mr. D. Morrow (Ottawa West), in the absence of Mr. W. E. Johnston (Carleton), moves first reading of bill intituled An Act Respecting Nepean Township High School District Board and Ottawa Collegiate Institute Board.

Motion agreed to; first reading of the bill.

THE TOWNSHIP OF NEPEAN ACT

Mr. Morrow, in the absence of Mr. W. E. Johnston moves first reading of bill intituled An Act Respecting the Township of Nepean.

Motion agreed to; first reading of the bill.

THE VILLAGE OF ERIE BEACH ACT

Mr. J. P. Spence (Kent East) moves first reading of bill intituled An Act Respecting the Village of Erie Beach.

Motion agreed to; first reading of the bill.

THE QUEEN ELIZABETH HOSPITAL ACT

Mr. J. Trotter (Parkdale) moves first reading of bill intituled An Act Respecting the Queen Elizabeth Hospital.

Motion agreed to; first reading of the bill.

THE OSHAWA COMMUNITY CHEST ACT

Mr. T. D. Thomas (Oshawa) moves first reading of bill intituled An Act Respecting Greater Oshawa Community Chest.

Motion agreed to; first reading of the bill.

THE VILLAGE OF MARKHAM ACT

Mr. A. A. Mackenzie (York North) moves first reading of bill intituled An Act Respecting the Village of Markham.

Motion agreed to; first reading of the bill.

THE ROMAN CATHOLIC SEPARATE SCHOOLS OF OTTAWA ACT

Mr. R. K. McNeil (Elgin) in the absence of Mr. J. Morin (Ottawa East), moves first reading of bill intituled An Act Respecting the Board of Trustees of the Roman Catholic Separate Schools of the City of Ottawa.

Motion agreed to; first reading of the bill.

THE ONTARIO CO-OPERATIVE CREDIT SOCIETY ACT

Mr. R. J. Boyer (Muskoka), in the absence of Mr. H. E. Beckett (York East), moves first reading of bill intituled An Act Respecting Ontario Co-operative Credit Society.

Motion agreed to; first reading of the bill.

THE CITY OF TORONTO ACT

Mr. A. H. Cowling (High Park) moves first reading of bill intituled An Act Respecting the City of Toronto.

Motion agreed to; first reading of the bill.

THE TOWNSHIP OF WICKSTEED ACT

Mr. R. E. Sutton (York-Scarborough), in the absence of Mr. C. H. Lyons (Sault Ste. Marie), moves first reading of bill intituled An Act Respecting the Township of Wicksteed.

Motion agreed to; first reading of the bill.

THE PUBLIC HEALTH ACT

Hon. M. B. Dymond moves first reading of bill intituled An Act to Amend The Public Health Act.

Motion agreed to; first reading of the bill.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, before the orders of the day, I would like to draw to the attention of the hon. members a very important occasion.

I would be remiss, this being St. Andrew's Day, if I were not to rise in this House and pay my annual tribute to our fine citizens of Scottish ancestry. This great country and province owe a great debt of gratitude to the Scots for the very large part they played in the pioneering of Canada and Ontario. Indeed our gratitude extends to the part they play in our society today, in politics, education, the sciences and the arts—in fact, in every facet of our community.

The Scottish contribution is one of which they may very well be proud.

I am proud of the great cosmopolitan constituency which I represent. Within those boundaries are many thousands of people of practically every race and nationality in the world and I am proud also of the fact that the riding is named after that great patron saint of the Scots, St. Andrew.

Mr. Speaker, on behalf of all of the constituents of St. Andrew, I extend to the citizens of Scottish ancestry in Ontario greetings and best wishes, "lang may their lums reek."

Mr. G. T. Gordon (Brantford): Mr. Speaker, I have a question which I address to the hon. Provincial Treasurer (Mr. Allan).

The question is: The Ontario Retail Sales Act permits tax rebate on railway rolling stock including streetcars and subway cars. Has the hon. Minister given any consideration to extending this tax rebate provision to buses purchased by municipalities for public transit services?

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, I want to thank the hon. member for having given me notice of this question. I may say that railway rolling stock was exempted because railways have to pay tax on the tangible materials used in the construction and maintenance of the roadbed on which the rolling stock operates. This exemption parallels similar exemptions in every other retail sales tax Act in force in Canada.

In the circumstances no consideration is being given to extending the exemption to

buses purchased by municipalities for public transit service; one reason being that transport trucks and buses, whether privately or municipally owned, operate on roadbeds the construction and maintenance of which is entirely paid for by the province, if it is a provincial highway, and substantially paid for if it is a roadbed belonging to a municipality.

Mr. Gordon: Mr. Speaker, generally there is some supplementary question, but I have no supplementary question, Mr. Speaker. I just might say that the municipality of Brantford owns its transportation system and this year they will have a \$70,000 deficit which the taxpayer will have to meet.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, before the orders of the day, I should like to direct a question to the hon. Prime Minister (Mr. Robarts) in his capacity as hon. Minister of Education.

Referring once again to the 11 students who are still absent from classes at the C. B. Stirling School in Hamilton, the hon. Minister of Municipal Affairs (Mr. Cass) mentioned the other day that there was no application pending before the Ontario Municipal Board, that the hon. Minister did not believe that the board should deal with the matter as it was obviously the responsibility of local education authorities and a local council. Could the hon. Prime Minister in his capacity as hon. Minister of Education give the assurance that he will take immediate action to see that this dispute is resolved either by the municipal board, local education authorities, council or someone, in order that the students might not suffer as a result of their abstention from classes?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, that is not the question in the form which it was handed to me.

Mr. Speaker: I asked the member to shorten the question, Mr. Prime Minister.

Hon. Mr. Robarts: Well, I will be strictly co-operative and answer it in this form even though I have not seen it in this manner. In the first place, I am aware of the situation there and in regard to the meeting . . .

Perhaps I should say that to understand the entire situation, there are two groups of students involved in this problem. In the first place there was a group for which the municipal board did order transportation to be provided. That order was made as part of an annexation order. In other words, the whole matter was considered

when the municipal board was considering the annexation proceedings and as part of the annexation settlement an order was so made.

Then there was a subsequent annexation by the city of Hamilton and it is with this group that the present question arises.

Originally, there were some 40 children involved and now it is down to 11 children coming from four families. As far as The Department of Education is concerned we have no power whatsoever to force any local school board to provide transportation. The relevant section of the educational statute, which is section 37 of The Schools Administration Act, provides that a board may provide transportation. In any event, if the board decides so to do, under certain circumstances we pay grants towards the cost of that transportation; but as a department we have no power to order any board to provide transportation and this is a matter that is left entirely to the local school board.

As far as the affairs in front of the municipal board are concerned, apparently a meeting was set up between the city council, the board of education and the parents in front of the municipal board. This meeting was called in Toronto for October 13 and Mr. Kennedy, the chairman of the municipal board, I believe arranged the meeting. But at the time the meeting was held he was not available because he was on a meeting in another city and therefore Mr. Jamieson, who is a member of the municipal board, presided at this hearing.

At this meeting the city of Hamilton people turned up, as I understand it, the board of education people turned up from Hamilton, but nobody turned up from the parents group or representing the parents, and thus it was impossible to have a meeting and to discuss the matter.

The only way in which the municipal board could enter this dispute at this stage of the game would be if they were to re-open annexation hearings which are now some two years old. However, I am told that if an application is filed properly the Ontario Municipal Board would be prepared to consider the application—if it were properly filed. But as far as this meeting that was referred to in the question that I have here, the parents of the children involved did not appear at the meeting that was arranged.

Mr. R. C. Edwards: Mr. Speaker, might I ask the hon. Minister in connection with this matter—is his department not concerned with the fact that these children are presently being

deprived—perhaps I should use a better choice of words—being left without an education as a result of this dispute? Is there nothing that can be done from The Department of Education level which would speed this thing to a settlement? These children are staying home from classes in the interim period.

Hon. Mr. Robarts: Mr. Speaker, I feel as keenly about the children as the hon. member, but the point simply is this, that in the legal arrangements of our school system The Department of Education has no power. This is a matter over which the local board has complete control.

Their position, as I understand it, is that they could establish a precedent here. They provide no transportation any place in the city and if they were to provide transportation here it might lead them into all sorts of other things about which the hon. member and I really know nothing, because we do not know the internal affairs of that board. I am afraid as far as the department is concerned—we would be prepared to mediate the dispute if that were possible, if there was anything we could do in that field—there is no concrete action that we can take because we have no power.

Mr. Speaker: Orders of the day.

AN ACT TO AMALGAMATE DEPARTMENTS

Hon. R. W. Macaulay (Minister of Energy Resources) moves second reading of Bill No. 5, An Act to amalgamate The Department of Economics and Federal and Provincial Relations and The Department of Commerce and Development.

Mr. Speaker: Shall the motion carry? Carried.

Mr. K. Bryden (Woodbine): Mr. Speaker, I would like to make some comments on this bill at this time. I had thought that perhaps the hon. Minister of Energy Resources (Mr. Macaulay) would say something in moving his motion but perhaps he considers that his comments on the first reading adequately introduced the bill to the Legislature.

Mr. Speaker, when this bill is considered in relation to the comment made about it in the Speech from the Throne, it becomes apparent that it is part of the process whereby the government hopes to evolve what it describes in the Throne Speech as a comprehensive plan. Though the government has not

divulged details about what it has in mind when it refers to a comprehensive plan, it is refreshing to note that it is at least talking about economic planning and is setting up some elements of the machinery through which such planning might be undertaken.

One thing that interests me, Mr. Speaker, is the way in which the phrase "economic planning" which even two or three years ago was regarded almost as a dirty word, has now become an accepted part of the vocabularies of business men, newspaper editors and even the politicians. In fact, even the Liberal Party, which is noted for its old-fashioned, not to say obscurantist, approach to economic problems, finds it necessary nowadays to talk about planning.

Admittedly, most of the statements that Liberal spokesmen make indicate that they have at best only a vague idea of what planning is all about. For example, they almost always say that though they are in favour of planning they are also in favour of doing business at the same old stand, and, Mr. Speaker, those two things are manifestly incompatible. If business is to be carried on in the same way it has always been carried on then, obviously, there is no change and we will have no more economic planning than we had under previous Liberal administrations.

It does not follow from this, of course, Mr. Speaker, that under proper planning there will not be opportunity for private initiative and private resourcefulness. On the contrary, in my opinion these opportunities will be greatly increased because the basic objective of planning, as I see it, or one of the basic objectives, is to create continuous economic growth which increases economic opportunity.

However, it is sheer nonsense to suggest that business operations would not be affected if we undertake a programme of planning. Business will have to be carried on within an overall framework and will have to be adapted and accommodate itself to the basic plan.

Now, taking the government proposal as it stands before us in this bill—admittedly the bill in itself is only a skeleton, but I am trying to take it in the larger context in which it has been placed in the Speech from the Throne. I quite hope, Mr. Speaker, that there is no intention on the part of the government, or no notion on the part of the government, that planning can properly be carried on through a single department.

I suggest that that delusion leads to one of two things, either to ineffectuality—which was the situation with the so-called Depart-

ment of Planning and Development, which we had up until a year or two ago when its name was changed—leads either to ineffectuality or else the creation of an economic czardom which is above the government even though it might ostensibly be part of it.

As I see it, in a democratic system of government, planning is the responsibility of the whole government and not of an individual department. It is the government's function to set over-all economic objectives, over-all goals within its particular jurisdiction and to indicate at least the general lines by which it expects these goals to be achieved. Now, within a framework of that kind, Mr. Speaker, I can see a vital role to be played by a department of the nature envisaged in this bill. It can provide the government with continuous information—

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, I rise to a point of order, sir. This bill, referred to as Bill No. 5 in our books, does not mention the word planning. The bill is designed to combine the purposes of both of the departments in one department; there has been no suggestion of planning made in this bill—

Mr. D. C. MacDonald (York South): Hear, hear. That is the problem.

Hon. Mr. Macaulay: And this is perfectly fine, when the hon. member wants to speak about planning he is free to do so when he speaks on the Speech from the Throne. This bill actually is an administrative bill to combine two departments under one head.

Mr. Bryden: Speaking to the point of order, Mr. Speaker, it is a pity the hon. Minister of Energy Resources (Mr. Macaulay) had not read what was stated about his bill in the Speech from the Throne. On page four of the Speech from the Throne, in the first column, about a third of the way down the column, the Speech states:

A comprehensive plan is being evolved to assist the economy in achieving a satisfactory rate of economic growth.

Which I hope is true. And then there are further comments on that point within that paragraph, and then in the next paragraph, and surely elaborating upon what was said in this paragraph about planning:

In addition, legislation will be introduced to merge The Department of Economics and The Department of Commerce and Development under the title of The Department of Economics and Development.

And so on. Surely that means, at least if one can assume that the government knows what it is doing at all, it follows this is an agency through which, or one of the agencies through which, they hope to develop the comprehensive plan to which they referred in the Speech from the Throne.

Hon. Mr. Macaulay: Mr. Speaker, on the point of order.

Interjections by hon. members.

Mr. Speaker: Order, order.

It is quite obvious that we must limit discussion to bills before the House and this bill does not deal with planning. Although planning may have been mentioned in the Speech from the Throne, and if it was, it may be introduced by way of a bill at a later date; if it was mentioned in the Speech from the Throne the matter of planning can be better discussed in the debate on the Speech from the Throne.

Mr. Bryden: Mr. Speaker, this bill proposes to set up a new department by the amalgamation of two existing departments. The hon. Minister has not indicated whether he has any function in mind for the department or not but I would like to take advantage of the opportunity afforded by the debate on the principle of this bill to indicate some functions that I think this department ought to be undertaking. Surely, Mr. Speaker, that is within the terms of reference of the bill. The bill is to create a department; I would like to discuss the functions of the department in so far as one can discern them from the very limited information the hon. Minister has seen fit to supply to the House.

Hon. Mr. Macaulay: Mr. Speaker, on the second point of order, the proper functions of the bill, or the functions of the department, should be determined when we come to deal with the specific phraseology of the bill itself, that is in committee of the whole House. The only thing we are debating today is the principle of should these two departments be joined, this is the principle before the House.

Mr. Bryden: Surely, Mr. Speaker, that is a quibble beyond all comprehension. The department is created in order to perform certain jobs and I presume, I do not know why else it would be created, its functions relate directly to the principle of the bill. The bill has no purpose at all unless the department is to have some functions; and, as I say, I do not know what functions the

hon. Minister had in mind. I had hoped that he had some intelligent ones in mind but—

Hon. Mr. Macaulay: Mr. Speaker, on the point of order, I would ask you to rule, sir, if you would, on this in one way or the other. This bill is quite clearly what it says it is—an amalgamation of two departments. When both of those departments were established their functions were argued out in this House and were established and all this is going to do is put both of those functions under one department; this has already been debated. Now, if the hon. member wants to argue about the phraseology, it is well known to be a rule of this House that the time to do it is in the committee of the whole.

Mr. Bryden: The matter on which I am least interested in arguing, Mr. Speaker, is not the phraseology. I am, however, interested in arguing about the principle involved in the bill and this is what I have been trying to do. If the hon. Minister would give me an unobstructed opportunity I could complete my remarks in relatively short order.

Mr. Speaker: Order. Since the hon. Minister asked for a ruling I would say at the present time the member would be allowed to proceed but to confine his remarks to the matter of the amalgamation of the departments.

Mr. Bryden: Well, it has been my suggestion to you, sir, that the amalgamation of the departments raises the whole question of the functions of the department. That seems to me to be clear and that is what I would like to discuss.

Hon. Mr. Macaulay: This is not the creation of a new department but it is the amalgamation of two existing departments.

Mr. MacDonald: Sheer obstructionism! What is the hon. Minister afraid of, anyway?

Hon. Mr. Macaulay: There is a proper place to discuss this.

Mr. Speaker: Order. The Speaker will decide, as he already mentioned, when the hon. member is completely out of order. At the present time the member will proceed.

Mr. Bryden: Thank you, Mr. Speaker.

What I have been trying to indicate, Mr. Speaker, is that in my opinion this department which is now being created through the amalgamation of two other, and not very adequate departments, can play a vital role in

assisting the government in achieving an objective which it set forth in the Speech from the Throne. Whether or not it genuinely adheres to that objective I do not know, but at least this department could assist in achieving it by providing it with information on a continuous basis to assist it in planning if it had that in mind. I thought this department would be an obvious one to assist it also in giving it advice in how to adapt its plans to changing conditions.

I would also like to suggest, Mr. Speaker, that the department could provide a great service to the government by clearing away the nineteenth-century mythology which is so prevalent in Canada today and which stands in the way of sound efforts to develop plans at the government level. I would like to refer very briefly to two matters only on which I think this department could provide the government with useful information and which might help the government to clarify its thinking—and obviously that is a task that seriously needs doing just on the basis of the interjections of the hon. Minister at this point.

There are two myths in particular which I think stand in the way of developing economic growth in this country on a continuous basis and one is the myth that growth is inhibited by excessive government spending. A comparison of Canadian experience with the experience of other advanced countries shows just how little sense there is in this particular myth. The National Institute of Economic and Social Research of Great Britain has published authoritative figures on comparative rates of growth in different countries and it has published these figures in its Economic Review of July, 1961. This Review indicates that the rates of growth of national product per man-year in countries other than those behind the Iron Curtain—

Mr. Speaker: I am afraid the member must confine his remarks to the bill—I do not think we have to get behind the Iron Curtain on this one. The point is that the bill actually deals with the amalgamation of departments and I think we should confine remarks to either the amalgamation or the non-amalgamation of the departments.

Mr. Bryden: Well, Mr. Speaker, I still submit to you that the functions of the department and some of the contributions that it might be able to make to the development of economic policy in this country or this province, which surely is its major function, are matters that would properly be discussed. I think some of these points that I am trying to raise now would be of value to

the government and to the department. As hon. members know, my prime motive is always to attempt to assist the government and if I can suggest that the new department can assist it in clearing away some of the delusions under which it at present suffers, I think that would be a useful contribution to this debate.

I was referring to certain tables in the economic review of the national institute which indicates that in the period 1954 to 1959 Canada ranked tenth in terms of economic growth among the countries considered and ahead of it were such countries—

Mr. Speaker: Order! The member is straying far afield. I would point out to the member and all members of the House that in a technical way this bill is already carried. I said "Shall the motion carry?"—no one rose at that time, and I said "Carried." Technically the bill is carried. So at this point I would ask the member to possibly conclude his remarks.

Mr. Bryden: Well, Mr. Speaker, in view of the fact that you have taken such a limited view of the principle of the bill, I will defer to your ruling but I would like to state that I had hoped that the government had something a little more positive and dynamic in the proposal it was placing before the House than now appears. Apparently this department is simply a consolidation of two departments, neither of which had any very effective function to play within the government structure or contributed anything in particular to the development of this province.

It had been my hope—especially when I read the Speech from the Throne, which I found at that point quite encouraging—it had been my hope that the government had some more dynamic policy in view. That the amalgamation of these two departments and their creation into a new and what I had hoped—but apparently mistakenly—into a better department, had indicated some disposition on the part of the government to try to develop plans to restore economic growth in the country and to create full employment.

Apparently that is not so. That is unfortunate. If this department is just to be the sum of the two other departments, I am afraid that it will make very little contribution to development in this province.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, with respect to the advisability of combining these two departments, I would remind you, sir, that my recollection is that when The Department

of Economics was created some few years ago, it was suggested this new department, The Department of Economics, would serve as a fund of information for all the several departments of government; The Departments of Education, Highways, Planning and Development and such-like.

Now, it may be that my presentation can be speeded, Mr. Speaker, if I were to ask the hon. Minister of Energy Resources (Mr. Macaulay) whether The Department of Economics will maintain the same relative position with respect to the other departments in the future as it has in the past. Will it serve as a research branch for all departments of government; and will it remain or is there any expectation that it will ever become the autonomous department that I once expressed should be the case, where all hon. members of the Legislature, for example, could go, for assistance, for assistance in research, for assistance in respect to statistical information that might be helpful to individual hon. members? I personally feel that there is a lot to be said for an independent Department of Economics that serves all departments and serves, in effect, all hon. members of the Legislature.

Now it may well be that the hon. Minister has given this problem some considerable thought and it may well be that there is an answer to my question, enunciating what I think are the advantages of an independent Department of Economics. I would appreciate the observations of the hon. Minister.

Hon. Mr. Macaulay: I would say to the hon. leader of the Opposition (Mr. Wintermeyer), The Department of Economics at the moment is broken down into four main branches, the finance branch; the economics and statistics branch; inter-governmental relations branch and general economics branch. Each one of these branches has its own specific responsibilities, but there is an inter-relation between them all.

Now the question that the hon. leader of the Opposition has asked is this: when these are combined into a new department, or combined or amalgamated into a department, will this new department as it will emerge continue to offer or offer in a more accelerated way—whichever way one wants to put it—whatever statistical information is at hand? Will the hon. members be advised of the kinds of studies that are being undertaken so that they be kept appraised of some of the major problems of the day and those which we might anticipate will involve us in the future, and the answer to that is "Yes."

I have in mind rather extensive re-organization for these departments, including The Department of Energy Resources and I think, frankly, the time at which I can best be brought to task for either handling this well or badly is when I present the estimates for all of these departments. Now I submit that traditionally that is the time, whether the Minister is conducting the affairs of his department properly or whether he is at large sufficiently or so forth, this is the time I think to bring him to task and also to make suggestions for progress and development in the future.

This is where I think the hon. member for Woodbine (Mr. Bryden) and the hon. leader of the Opposition both might make reference to these things. This will give me a couple of months with which to bring together three departments, to present to the House at that time what planning we do have in mind, how it can be done. There are a lot of people to be approached. I would be happy to send the hon. member a copy of the speech that I gave to the trade conference here in Toronto a couple of weeks ago which was well received, I understand, by labour and industry alike; and to give him some indication of the philosophy which is going to be behind this department. I think we can accomplish a very great thing. I just ask the hon. members to give me a few weeks and a little less ado.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, that is as good a point to rise as any, to pour a little oil on troubled waters when the man who is used to pouring the oil around here has gone elsewhere and is not here too often.

I do not intend to give the dynamic hon. Minister of Energy Resources (Mr. Macaulay) any abuse at all, but I hope, sir, he would not consider it abuse from me if I said, in contradiction to my hon. friend from Woodbine (Mr. Bryden), that what more dynamic person could he get to head up two departments, if not three. Before the government finishes they may give him five or six. But if I say that, sir, it is not through flattery, the desire to flatter him, but to be realistic about it.

Now, sir, the remark I did want to make to him was this. As all hon. members will know, this starts my third session and it seems to me that for reasons of convenience, perhaps from a pragmatic approach or perhaps because the government is imbued with the philosophy of empiricism, that every year, every year a couple of departments are combined. There does not seem to be any

overall philosophy or a great deal of thought, for that matter, put into the conception of the overall functioning of government.

Mr. Speaker, may I approach it this way if what I have said to this point is unclear. Last session we appointed a committee to inquire into the organization of government and I was privileged to serve on that committee, as well as the hon. member for Grey South (Mr. Oliver), representing the party in this part of the House. I do not recall, sir, under the chairmanship of the hon. Attorney-General (Mr. Roberts), I do not recall ever seeing the hon. Minister of Economic Development, the hon. Minister of Energy Resources. We were never privileged, sir, at any time to hear any brief from him or any representations at any time.

Hon. Mr. Macaulay: That is quite incorrect. The hon. gentleman and I had a conference right after one of the meetings out in the hall. Does the hon. member not remember when he spoke to me about somebody up in the north?

Mr. Sopha: Oh, I remember that well, I remember that well.

Hon. Mr. Macaulay: This followed the meeting the hon. member just said did not take place.

Mr. Sopha: Oh, no. I had not yet completed my sentence, which would explain the absence from the meeting which I imagine did not take place.

Laughter and interjections.

Mr. Sopha: Now, sir, I am merely saying this, and I can see now that I have to put it in the clearest terms for my hon. friend to understand and particularly the hon. Minister without Portfolio (Mr. Grossman) the liquor commissioner, whose thoughts no doubt are consumed with that \$400 million business he is now running. But I say, sir, that at that committee on the organization of government we had no representations about the necessity of this.

Last year, from the pragmatic approach, we were talking a lot about federal-provincial relations. That was in vogue. The then hon. Prime Minister (Mr. Frost) had been down in Ottawa unsuccessfully trying to break loose the purse strings and bring something back for this province, which he did not. So then they obscured the real problem, or sought to obscure it, by changing the name of The Department of Economics; they changed that to Economics and Federal and Provincial

Relations. Then at the same time they changed the name of The Department of Commerce and Development. I have to look around to get the assurance of what I say is correct, sir, from my hon. friends on my right here, because if hon. members do not keep a close eye they cannot keep up with what the names of these departments are—or were.

This year it is going to become Economics and Federal and Provincial Relations and Department of Commerce and Development to be called The Department of Economics and Development. That is it, it says it right in black and white there.

My complaint, sir, is that I think anyone, almost anyone can see that this is the result of a most makeshift approach. I think it is fair to say, and one would not be accused of using exaggerated language to say, they do not know what they are doing. They do not know what they are doing at any particular time. I would go a long way—I would stop short, sir, of saying that this is the result of stimulus given the government by any particular individual who felt he did not have enough to do and wanted a little more to do—but I think, sir, that it shows, it demonstrates this. That as a member of the committee I referred to earlier, it demonstrates that the government itself does not have very much faith in that committee, or at least it would have apprised that committee before this bill was introduced of what its intentions were.

On the other hand, sir, I hope you will not say that I am straying from the subject at hand if I recall to your honour that we have at various times in this House said that The Department of Travel and Publicity should be made a branch of The Department of Commerce and Development. I reiterate that, sir. We have said that we do not see any justification for a separate Department of Travel and Publicity and perhaps—I do not know whether I am going to vote for this bill or not, I have not made up my mind whether to vote for it or not—but before this House, sir, is asked to finally pass upon it, perhaps the hon. Prime Minister (Mr. Robarts)—the hon. Prime Minister, sir, who I might say and I wished to say earlier, seated as he is, is a rose between two thorns—perhaps he will consider, sir, taking into account our suggestion that The Department of Travel and Publicity be included in The Department of Commerce and Development or made a branch of The Department of Economics and Development.

It would take, sir, a person who had a much greater command of the English language than your humble servant does, to then come

up with an appropriate name for a combination of these three departments. If I am not mistaken the hon. Minister said a moment ago that he is trying to mould into one whole three departments already. I have added a fourth, and to come up with a name for the four departments. But I have long, sir, admired the ingenuity of the hon. Minister of Energy and Resources and I think by tomorrow he could probably come up with something to present to this House.

Mr. MacDonald: Mr. Speaker, I hope I can avoid being intoxicated with the exuberance of my own verbosity like the last speaker, but I do want to go back to one point that he did touch on in that flurry of words and that is the discussions on the principle involved in this bill, related to these two departments, that emerged in the select committee on government organization.

During the hearings of that committee it was pointed out that at approximately the level of 20 hon. Cabinet Ministers you begin to move into an unworkable and unwieldy kind of situation. As a matter of fact, in Great Britain when they moved beyond that they then had to try to get some more effective working arrangement by having an inner cabinet and some people out of the inner cabinet were just heads of departments.

Now, we have had some twenty-odd hon. Ministers, at this breaking-off point, for quite some time and there has been great need for re-organization. Mr. Speaker, the hon. member for Sudbury (Mr. Sopha) made some comment about this being a makeshift approach. I think this comment would have been very, very applicable in the original development of these departments. This, I think, was our problem. The economic department grew up like Topsy. Quite frankly, I think it was an incorporation of a private service for the last hon. Prime Minister (Mr. Frost), who later dignified it as a department with an hon. Minister, I do not know that it really ever deserved the status of a separate ministry. I think it quite rightly belongs as part of this new department.

We are making some progress, at least theoretically, by bringing together departments that had some relationship to the same general area of work of the government. While we will have to bide our time to find out what the dynamic hon. Minister does in putting this department into operation, I think at least this step in bringing these makeshift arrangements together is a good one.

Interjection by an hon. member.

Mr. Speaker: Order.

Motion agreed to.

SPEECH FROM THE THRONE

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, at the adjournment yesterday I advised you that I would take but a few minutes this afternoon and I intend to do exactly that.

Mr. Speaker, I move, seconded by Mr. Oliver, that the Motion for the Address in Reply to the Speech of the Honourable the Lieutenant-Governor, now before the House, be amended by adding thereto the following words:

But this House regrets:

1. That this government has failed deplorably to recognize the peril of the inroads of organized crime into the life of Ontario, and has failed to protect the citizens of this province from the activities of the criminal and the anti-social.

2. That the government's bad management of the province's finances resulted in the imposition of a sales tax and that this tax, ill-conceived and badly-timed, did produce a maximum of inconvenience to the taxpayer and a maximum of irritation for the retailer, when the plan calling for an exemption of \$25 would have been far more effective.

3. That, as a result of the wasteful extravagance, unplanned spending and inefficiency of this government, notwithstanding the imposition of a sales tax, the public debt of this province has reached unparalleled heights, and has thereby placed an onerous mortgage on the future citizens of this province.

4. That the government, which has a responsibility to do everything in its power to provide an opportunity for every citizen to work, has failed to discharge this responsibility, with the result that gross unemployment debilitates the morale of the people of this province and attacks the stability of the economy, the community and the family.

5. That the government has failed to provide leadership in the solution of municipal financial problems by failing to institute a financial reform that would have as its key feature reduction of the property tax for education and assumption of a greater share of the total cost of education by the provincial government.

6. That in spite of the fact agriculture is still the backbone of the economy of this province, the economic position of the farmer has deteriorated to a point where his net income is the lowest in history. This government has failed to provide assurance to our sorely pressed farm community that government efforts will be directed towards preservation of the family farm as an efficient economic unit and that farmers, working individually and co-operatively with government help, will remain in control of the production and prime marketing of agricultural products.

7. That the lack of government leadership in the field of labour-management relations has brought its legislation into disrepute and thereby caused confusion and chaos in a vital area of our society and economy where clarity and order are imperative for the public good.

8. That the government's rigid policies towards the natural resource and manufacturing industries has failed to recognize the vital role it can play in assisting these industries to be competitive particularly by making available its special services for industrial expansion.

9. That the government has failed to initiate reform in Ontario's liquor laws, which, under its administration, have become the most widely disregarded and most thoroughly abused statutes in our province, and thereby have promoted a disrespect for law among our people.

10. That this government has failed to recognize that it has an obligation, by virtue of its jurisdiction over northern Ontario, to encourage economic development and habitation in the north.

11. That the government has failed its responsibility as the parent of the Metropolitan government of Toronto to improve the structure of that government and thereby provide for the persons in the Metropolitan area equity in assessment and taxation, greater balance in representation and leadership in the Metropolitan council that is responsible to the electorate.

12. That the government has failed to indicate advances in policies and programmes in the fields of health and welfare.

Mr. Speaker, I so move.

Applause.

Mr. K. Bryden (Woodbine): Mr. Speaker, I wonder if the hon. leader of the Opposition (Mr. Wintermeyer) would permit a question?

With respect to the amendment he has just brought in and the use therein of the phrase:

assumption of a greater share of the total cost of education by the provincial government.

Does that indicate that the Liberal Party has departed from its declared policy of last year that the government should assume the whole cost of education in the province?

Mr. Wintermeyer: Mr. Speaker, do you wish me to answer the question?

Mr. Speaker: The members have heard the amendment and the amendment is now open for discussion.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, it gives me a great deal of pleasure to be able to congratulate you upon your unfailing courtesy and skill in dealing with what are sometimes difficult moments in this Legislature. Your kindness and impartiality have earned for you, sir, the affection and respect of members on all sides of the House and I am happy to take this first formal opportunity of expressing my appreciation and thanks to you.

I would like also to congratulate the mover and the seconder of the reply to His Honour's address. The hon. member for St. George (Mr. Lawrence) departed from what might be termed the traditional approach to the House and I, for one, found it very refreshing. This is, after all, a form of free expression of opinion within the limits of the rules of the House and I would hope that every hon. member would feel free to express his views upon the many contentious issues of these days and times. After all, Mr. Speaker, it is in this way that we will have reflected in the deliberations of this body the thoughts, the ideals and the hopes, the opinions, the attitudes and aspirations of the many and divergent groups in our province who are represented by the members sitting here.

Mr. Speaker, I would also like to congratulate the hon. member for Renfrew North (Mr. Hamilton) on his very clear exposition of many of the problems facing the government and the solutions which have been produced by my predecessor over the past few years.

Mr. Speaker, in connection with the very lengthy statement made by the hon. leader of the Opposition (Mr. Wintermeyer) in relation to law enforcement, gambling and crime both organized and unorganized, I first of all want to assert and to assure the people and

this House that there is no matter which I place higher than the administration of justice. This is one of our basic cornerstones and it will be my objective to be sure that our laws are administered with integrity, with fairness, with vigour, and with justice.

I can assure hon. members that under my regime no crimesters or racketeers from other lands or from our own land will be allowed to operate with impunity. If such exist, I can assure hon. members that they will be prosecuted to the fullest extent of the law.

It will also be my objective that the administration of justice and the operation of our law-enforcement agencies such as our police forces, will be operated with integrity and on the highest plane for both justice and efficiency. That is my objective and that is my pledge to the people of this province.

I assumed office on November 8, and it will be readily understood that there are very many problems to which I have been able to give only passing consideration. The subject matter of the speech of the hon. leader of the Opposition, of course, has been current for some time past and therefore I have endeavoured to look into the facts as they are in the hands of the law-enforcement agencies, in a general way. At the moment I can only say that the statement which has been made by the hon. leader of the Opposition does not seem to discuss anything which the law-enforcement agencies and the provincial police and other police forces have not themselves uncovered and which are not already known in detail by the department and in a number of cases are the subject of prosecution at this moment.

Many of these matters are before the court of the land at the present time.

As to the ways and means by which the investigation of our law-enforcement agencies have come into the hands of others, including the hon. leader of the Opposition, this is something to which I will refer later.

I do not propose to say more than that from the information I have been able to peruse in the days before this session, and comparing the same mentally with what the hon. leader of the Opposition said yesterday, the information appears to come very largely, if not entirely, from police investigational sources. Much of it also is a re-statement of what has been said and adduced by the Crown at the instance of the hon. Attorney-General (Mr. Roberts), in cases which are already being prosecuted.

Concerning the statement made by the hon. leader of the Opposition, I am personally and under my direction having a complete analysis of that statement made. I shall have the

same compared with action which has been taken in and out of the courts. On this personal investigation and examination I will make my judgment, which I shall recommend to the government as to whatever course should be taken.

I want to point out to the House that The Department of the Attorney-General and the law-enforcement agencies in this province have been very active indeed in these matters over at least the last two years. Very important proceedings have been taken, which not only could affect the liberty of certain accused persons, but which are very important from the standpoint of public interest. I can assure the House that I shall without delay, take the course which I have outlined and I can again assure this House, and through it the people of our province, that I shall leave no stone unturned to assure that British justice and its fearless enforcement will be my objective.

(Applause).

Now, Mr. Speaker, I want to refer for a few moments to some of the economic factors affecting our province. Much has been accomplished in this province in the years of tremendous expansion which lie between the end of World War II and the beginning of the 1960's. There is no point in reciting the statistics of this period, but I think we must bear in mind that it should be the duty of this government and indeed, if the province is to survive, it will be an absolute necessity, that we continue our economic development. During the past five years our population increased by about 800,000 or 2.8 per cent per year, and we must anticipate as large a numerical increase in population during the next five years, although the projected rate of growth drops to about 2.4 per cent per year.

The rate of growth in gross national product, which has been about 4.2 per cent per year, has been higher than our rate of population growth. However, when we take into account price changes, there has actually been a slight decrease in gross national product in real terms per capita since 1956. If we are to continue our plans for progress we will have to accelerate the rate of expansion in our economy.

The total industrial production of Canada increased by just over eight per cent from 1956 to 1960. The year 1961 has brought a general upswing in economic activity and almost all our industries have been showing substantial increase.

For example, gold production is at an all-time high; nickel production is at an all-time

high, and we expect a buoyant market for our mineral products in western Europe, which will support continued high levels in production in our mining operations. Pulp and paper production this year is expected to reach an all-time high. Saw-mill operations, on the other hand, were running well below the levels of 1959 and 1960 during the first half of this year, but since general housing construction has expanded it is expected that the second half of the year will produce near-record levels.

We can also take some encouragement from the fact that unemployment levels have been dropping and in Ontario in October were down to 4.7 of the work force when adjusted seasonally, which compares with and is well below the 6.6 per cent average for Canada as a whole and 6.8 per cent in the United States.

Another encouraging trend is the continuing rise in labour income. It has been increasing steadily since the post-war period and in 1960 totalled \$18.5 billion in Canada, and \$7.7 billion in Ontario. This represents nearly \$4,000 per paid worker in Ontario as compared with just under \$2,600 ten years ago, and just over \$3,500 in 1956. Thus, even though there has been some slackening in the rate of growth in the economic activity during the past four or five years, Ontario workers are now earning an average of about \$450 more per year than they did in 1956.

There is, however, as I have stated before, no cause for complacency about this situation. It has been estimated that we must create approximately 60,000 new jobs in Ontario alone each year for the next nine years. The creation of these new jobs is necessary to take account of the expansion of our population both through immigration and through natural growth.

Faced with problems of this magnitude which concern so intimately all of our people, I believe it is time for us as a province to take a completely new look at our position in the world of trade and commerce and our traditional position in relation to the federal government. Under the distribution of legislative powers at the time of Confederation, the provinces were given exclusive control over many important matters such as education, municipal institutions, public lands and natural resources, property and civil rights, administration of justice, and so on. The general clause included all matters of a local or private nature and over the years there has been a tendency, in my opinion, to think in terms of the provincial government as dealing primarily with matters of a local or private

nature. On the other hand, the central or federal government was given responsibility for such matters as national defence, navigation and shipping, currency and coinage, commercial paper and banking and most important, the regulations of trade and commerce.

In my opinion this division of powers over the years has tended to reduce the extension of the activity of the provincial governments of Canada in matters of the development of foreign markets for the products of the provinces, although some efforts have been made in this direction. We are presently faced with certain problems throughout the world that will have a direct relationship and bearing on the economic growth and prosperity of this province. I think the time has come when we must play a much more vigorous and active role as a government than we have in the past. To promote this concept and to provide the administrative means of accomplishing these ends, mention was made in the Speech from the Throne regarding an Act of the Legislature to merge The Department of Economics with The Department of Commerce and Development—I think perhaps the hon. member for Sudbury (Mr. Sopha) anticipated me with his remarks earlier—in order to bring together that department which can do the necessary research in delineating the problems we face and the department which has the facilities for promoting various policies designed to rectify the difficulties. Legislation has already been introduced in the form of Bill No. 5, An Act to Amalgamate The Department of Economics and Federal and Provincial Relations and The Department of Commerce and Development.

I should like to point out that there is a large area of co-operation which has been developed in the past few years between the federal government and ourselves to deal with these problems. As recently as a week ago Tuesday, there was a federal-provincial trade and industrial promotion conference held at the Queen Elizabeth building here in Toronto under the auspices of both levels of government. These conferences were developed, as far as Ontario is concerned, under the hon. Minister from Kingston (Mr. Nickle) and certainly they have done a great deal to highlight the problems which we face. These matters will be debated more fully and be explained more fully to the Legislature during the consideration of the bill I have just mentioned, upon second reading of the bill and so on.

However, I would like to make it very clear that we are approaching this problem of

planning for the future with the idea of utilizing to the greatest possible extent the brains, experience and ability that our province possesses in such abundance in four major fields; namely, labour, industry, agriculture and government, both provincial and municipal.

It is not our intention to set up rigid controls and to do planning by governments which will direct these elements within our free economy. Rather it is our intention to provide the leadership in bringing together these dynamic and powerful elements in our society so that they may jointly produce answers to the problems that face us. As I say, these matters will be dealt with much more fully in the course of the proceedings of this House in the next few weeks but this is the fundamental position from which our efforts will proceed.

Closely allied to this programme is the development of our educational system, particularly the development of technical and commercial training. As I have mentioned, it is forecast that we will require 60,000 new jobs per year for the next nine years. Many of these jobs must be provided for the young people who are presently in our elementary and secondary schools and it is necessary that their education be geared to the type of economic life they will face when the time comes for them to leave the educational world and enter the commercial or industrial life of our province.

With this in mind we have instituted a very broad programme of curriculum revision, particularly in some areas of the province which, in the past, have found it very difficult to provide anything other than a straight academic type of education for their young people.

Perhaps it would be of interest if I were to outline the origin of this reorganization. The plan results from careful consideration of the adequacy of existing curriculum and programmes of study in relation to the diverse needs of shifting types of pupils. Secondly, it resulted from a consideration of the educational requirements of our young people in relation to the employment situation and changing procedures in industry.

As I have already stated, it appears to me to be fundamental that we must keep our educational system completely flexible so that it may not only provide our young people with the basic education required for a happy and contented life in our society, but also, we must educate them to fill the needs in industry as it develops.

Thirdly, we have been greatly concerned over a good number of years about the number of drop-outs from our secondary schools and the loss that this entails to our society as well as to the pupils concerned.

Fourthly, it arose from the consideration of the desirability in a shift in emphasis from what has been, broadly speaking, a one-course situation with respect to the branches of study offered in the several types of Ontario secondary schools. In effect we considered it necessary to provide a greater variety of opportunity for young people in secondary schools so that they would not all be forced to take the same course and continue in the same branch of study. This means that we will attempt to provide for every secondary school pupil the type of education that will best develop his vocational capabilities and will best promote for him security of employment for himself and his family as he takes his place in the economic life of our province.

I am not going to go into the specific details of the school programmes as these can be considered in detail at the time of the submission of the estimates of The Department of Education. Suffice it to say that for the purposes of this debate that we have developed three main branches of study which will represent major differences in the interests, special abilities and prospective careers of pupils who are entering our secondary schools.

These three branches are broad fields of preparation for different types of education and are not to be understood as requiring the pupil to decide early and specifically upon his life work. One of the problems, of course, which has disturbed some parents is the thought that their children have to make a very early decision upon their life work. This is not so. The pupil entering high school will select one of the three branches on the basis of special interest or possible future career when he leaves grade eight; the grade nine year is exploratory and he may take as an option one subject from another branch of study. This will facilitate his transfer, if he so desires, and if he has completed his grade nine year successfully, to another programme of another branch.

It has been, as I have mentioned, our endeavour to keep the programme as flexible as possible and yet if we are to offer a variety of courses we must have decisions. I can assure the hon. members of this House that we will in developing these courses keep all the flexibility that is possible but,

as you can understand, if we are to have anything other than a single choice system, why certainly decisions are going to have to be made at some stage of a child's educational career.

Hon. members can understand also that the function of guidance and direction, and the education of parents in the possibilities of these courses, becomes of paramount importance, and the strengthening of this branch of our educational system is being proceeded with now.

It is interesting to note that we presently have applications for approximately 175 projects to be constructed under the educational training agreement with Ottawa, and at least one-half of these are in areas which have never offered commercial or vocational training on this scale to the young people of these areas before. Now this, to me, is a very encouraging feature of this entire programme.

Many people are concerned about the increased emphasis on vocational and commercial training. It is my opinion that this emphasis is long overdue and when we were presented with an opportunity to accomplish these great things in a relatively short time, we seized the opportunity with enthusiasm. I do not think that the flow of students into our traditionally academic courses will in any way be affected.

After all, one must realize that the total enrollment for elementary and secondary schools has more than doubled since 1945 to a total of 1.4 million people in 1960. It is impossible for us to expect that all these young people will wish to take the traditional course. In addition, through a centralization of secondary schools by the creation of high school districts and in the improvements in our roads and increase in transportation facilities, we are now offering secondary school education to a larger group of our young people than have ever enjoyed it before. Also a larger percentage of these young people are staying in school longer, thus we have a constantly increasing percentage of a constantly increasing numerical group in our high schools. I think that it is quite obvious that the time has come to develop additional courses to suit a great many of these young people who will not necessarily have university in mind.

There are many other facets of education with which I will deal at a later time, namely, the development of our trade schools, the development of our technological institutes and our assistance to universities. These matters will be dealt with during my estimates

and I shall now proceed to some other matters arising from the great programme outlined by His Honour's address to this Legislature.

In connection with the development of hydro-electric power I would like to say that the commission has been pushing ahead with the development of additional supplies of power and energy in all parts of the province. Thermal generating units including the Thunder Bay station at Fort William, the Lakeview generating station, are being constructed and hydro power stations in the James Bay watershed are underway or in the planning stage. It is estimated that the total additional capacity of these new plants will be about 2.4 million kilowatts; or in terms that we are able to understand, enough to meet the power requirements of all the homes in this province. Work is also under construction on nuclear power stations at Rolph-ton and Douglas Point.

Legislation has already been introduced by the hon. Minister of Energy Resources (Mr. Macaulay) to provide for the amalgamation of Hydro's northern Ontario properties with the southern system. The hon. Minister has already dealt with this matter at some length in a statement made at the time of the introduction of these bills and of course after being thoroughly examined in the select committee on energy these bills will be fully debated in the House and there is little that I can add at this time.

However, I would like to point out that this amalgamation should result in a more economical development of electrical resources across the province and should result in a better balanced system, which will enable the northern section to withstand economic swings and fluctuations caused by nature, together with a larger reserve of power for contingencies.

Now, hon. members will recall that on April 7, 1960, my predecessor announced to this House the formation of a special technical committee on portable pensions. This committee was asked to study and make recommendations for strengthening the existing programme of pensions and removing impediments to the employment of the older workers.

The committee is under the joint chairmanship of Mr. G. E. Gathercole, Deputy Minister of Economics, and Professor D. C. MacGregor of the University of Toronto. The other members are Mr. J. A. Tuck, managing director and general counsel of the Canadian Life Insurance Officers Association; Mr. R. E. G. Davis, executive director of the Canadian

Welfare Council; Professor C. E. Hendry, of the University of Toronto; and Professor R. M. Clark, of the University of British Columbia.

At the last session of this House the summary report of the committee was tabled. On February 15 last the committee appeared before a special committee of this Legislature and presented evidence of its findings and recommendations to that point. Because of the complexity of this subject, the committee was asked to continue its work and to prepare with the co-operation of legal counsel, a draft bill which would contain the essence of its recommendations. Mr. John G. McDonald, a Toronto lawyer, was engaged for this purpose.

At the conference of provincial Premiers held in Charlottetown last August, my predecessor presented the draft bill together with the second report of the committee to the Premiers of the other provinces. Active interest in this problem was shown by four or five provinces, some of which had begun similar studies on their own. They have been invited to make use of our committee to obtain advice and a fuller explanation of the committee's recommendations.

Members of this Legislature have received copies of the draft bill and the second report. I should like to recommend that they be studied carefully by all members. The second report which was prepared largely by Professor MacGregor provides a background of information which is essential for anyone seriously interested in the subject. I might say that both of these documents received a very wide public response, almost 4,000 copies of the draft bill have been circulated and well over 2,000 copies of the second report.

As this study is a pioneer work in this field in North America, requests for information about it have come in from all parts of this continent as well as from western Europe.

Throughout the autumn the committee has been engaged in preparing a set of regulations to accompany the draft bill, as well as making certain revisions to the bill itself which have become necessary as a result of outside reaction to the first draft.

Later on in this session an opportunity will be provided for a detailed study and discussion of the committee's proposals. It may be that a special committee of this House should be appointed at that time. In any event, I hope that hon. members will study the work which this committee has already

produced and we will provide a suitable forum for discussion in due course.

To deal with the ever-growing registration of motor vehicles in our province, the highway construction programme undertaken by the government has been unprecedented. A total capital and ordinary appropriation for the present fiscal year for all highway purposes totals \$270 million which includes \$75 million for municipal subsidies. At the present time expenditures on construction of development roads are running about \$8 million per year.

Work on our superhighways is being pushed ahead very rapidly and at the end of this year the total mileage on Highway 401 will be 386 miles with a total of 84 miles having been added during this past year. Work is also underway on the first stage of Highway 403 which runs from the Queen Elizabeth Way to Highway No. 2 in the Burlington area. I note also that work has begun on the new 405 Highway which will run between the Homer Skyway and the new international bridge to New York at Queenston.

We are developing seven new highway programmes which will be of benefit to all the people of this province. Plans are underway to construct new roads between major airports and the centres which they serve. The earliest possible start is planned on new routes between Malton and Toronto and between the Uplands Airport and the City of Ottawa.

By way of assisting municipalities with road construction programmes, the department is encouraging municipalities to initiate traffic studies and in addition to paying 75 per cent of the cost of these studies the department makes technical personnel available to assist in the compilation of the figures and studies that are being done. These are co-operative ventures in research to predict the future transportation requirements of a given area.

In addition, The Department of Highways in conjunction with Economics is carrying out considerable research in the fiscal policies to provide for highways, roads and streets throughout Ontario. We plan also to introduce legislation at this session to increase to 90 per cent from 80 per cent the present subsidy which is paid on bridges and culverts on any connecting links in the case of towns and villages, excepting separated towns with population of over 2,500.

The approach of the government toward highway construction has had and will continue to have two purposes. First, to extend the highway system which is the direct

responsibility of the province, and second, to increase assistance to be given to municipalities in order to enable them to meet their road and street construction cost.

Mr. Speaker, we in the government are very much interested in challenges of all kinds which appear before us today: economic challenges, social challenges that are facing us as a people in this present era. However, I think we might bear in mind that challenges are nothing new for Canadians and down through our history, problems which were no less difficult in their own day arose frequently, but were solved successfully so that the task of nation building could proceed without obstruction.

This happened despite diverse backgrounds of interests of the people who settled and developed this province. In fact, it happened to a great extent because of those diverse backgrounds and interests and the wide and rich variety of talents and skills which flowed from it.

In Ontario diversity has produced rewards, not conflicts. We must always be vigilant to ensure that this fortunate state of affairs remains with us and that every individual regardless of race, creed or colour, has a full and equal opportunity to direct his life toward what he thinks to be the most rewarding objective. That is the purpose of the human rights legislation which has been placed on the statute books of this province during the past 17 years. It should be a matter of pride to every hon. member of this House that our province has been a leader in the campaign against racial and religious discrimination. I wish to associate myself firmly and unreservedly with the policy upon which our human rights legislation is based.

(Applause).

Through the efforts of the Ontario human rights commission and with the wholehearted support of churches and schools, industry, trade unions, press and radio and a wide variety of community organizations, great progress has been made in winning understanding and acceptance of the aims of this legislation. We can be proud of what has been accomplished but there is no reason for us to be complacent. There are still areas of prejudice in our community life which command our concern and it remains the task of individuals and organizations to strive to still higher levels of improvement in the field of human rights.

Mr. Speaker, I want to speak for a few moments about the retail sales tax which came

into force on September 1, and I might say that the treasury is now receiving its second month's remittances from registered vendors.

Dislocation of business by reason of introduction of the tax appears to have been very slight. In the original instructions going to vendors, they were asked to keep records of gross sales, taxable sales and the amount of tax they collect. This appeared to impose some hardship and the requirements have been reduced so that only records of gross sales and the tax collectible will be necessary, although the vendors will be expected to keep a proper file of all purchase invoices and inventory records.

At the same time, the field men from the department are asking vendors to suggest methods to them whereby they may account for the tax collected on a formula basis, provided the formula is approved by the sales tax branch. By this I mean it is possible in some types of enterprise to work out a formula whereby the gross sales are so much, and over a period of time the percentage of gross sales can be established as being that portion of sales which is taxable and the tax can be computed on that amount, and of course it will have to be checked periodically by the sales tax branch.

It is this type of formula computation of tax which we are aiming at in order to relieve the retail storekeeper of the burden that has been imposed upon him, by keeping records to date. These matters, as I say, are under constant review.

In addition to these improvements, vendors who operate on a seasonal basis, such as summer resorts, will be relieved of the necessity of filing returns for periods during which they are not actively engaged in business. All vendors are being requested to advise the department of the months they will not be operating so that the records in the department may be suitably adjusted.

Rules and regulations are being reviewed in the light of present experience—and once again I reiterate that this tax came into effect only on September 1—and comments have been received from a host of retailers throughout the province in order to provide for ease in the requirements, all with the idea of simplifying collection procedures.

In addition certain of the exemptions are being examined very carefully in order to correct any anomalies that may presently exist. I can assure the House that all these matters will be kept under constant review in order to reduce to a minimum the inconvenience caused by the addition of this tax.

However, I would like to point out to the hon. members that the purpose of imposing this tax is to collect revenue which is needed if we are to maintain our standards of service in the fields of education, highways, welfare, health, and all the other myriad services which the government provides. It is ridiculous to impose a tax and then immediately to ask for exemptions to such an extent that the effectiveness of the tax in producing the revenue required is destroyed. There is no jurisdiction of which I am aware which imposes a sales tax which has a broader list of exemptions than those contained in the Act establishing this tax.

While I realize how politically attractive it is to offer exemptions to various sections of the population and on various classes of goods, I can assure hon. members that in the long run it will only create and perpetuate inequities.

Mr. Speaker, the government of the province of Ontario has always been energetically interested in every activity which can serve the goals of our agricultural industry and which can increase the opportunity for, and the income of our farmers. In recent years there have been expansions in all the main branches of The Department of Agriculture to further the services the government is giving our farmers.

An indication of the extent to which the interest of our farmers have been served, is the fact that the cash income of Ontario farmers has remained above 1960 during the first half of 1961. Present indications are that for the whole year, the farm cash income will continue above 1960, as well as over the average of the past five years. This compares very favourably with the development of the country as a whole.

The government of the province is interested in preserving the family farm, for the rural economy is still the backbone of our province.

I should point out that a healthy and stable agriculture does not depend merely on the number of acres in a farm. For example, a profitable livelihood can be obtained from a market garden which is only a relatively few acres in extent and located near a larger city. The income per acre varies a great deal on different types of farms. When hogs are raised or hens provide the main source of income, for instance, the income bears no necessary relationship to the number of acres, for feed may be raised or purchased if the farm is not sufficiently large to supply it all. On the other hand, on some types of farms,

such as those engaged in raising beef cattle, even 100 acres might not be sufficient as beef requires a lot of roughage of a kind that cannot be shipped very far without the expense rising too much to be economical.

These are all considerations which are important and it is impossible to state that the success or failure of any farm depends on any particular acreage, since the acreage required for a good livelihood varies so greatly according to the type of crop grown or animal being raised.

Now, Mr. Speaker, there are some other matters I had thought I might refer to, but I think I will leave these for another day. Many of the matters I have mentioned this afternoon, of course, will be debated much more fully as time goes on, and I would direct a little more attention to some comments that have already been made by hon. members of the Opposition.

Applause.

Mr. D. C. MacDonald (York South): Mr. Speaker, before I proceed with what I am prepared to say I would like to make two brief comments with regard to the initial portion of the comments of the hon. Prime Minister (Mr. Roberts).

If the hon. Prime Minister is going to have a personal investigation of the problem of organized crime, in effect what he has said is that he is going to move in at least to some degree on the department of the hon. Attorney-General (Mr. Roberts). I would say, Mr. Speaker, that this is long overdue. Somebody has needed to move in, because this department has been guilty of a combination of neglect and mismanagement. In fact the real problem, of course, was it would not face up to even the existence of this problem of organized crime and therefore, of course, was not willing and able to come to grips with it.

So, if the hon. Prime Minister is in effect going to move in and start doing some of the jobs that the hon. Attorney-General has not been doing, well, very good; a little late, but very good.

Now the second comment is that I am a little disturbed by the tendency of the hon. Prime Minister to dismiss all that was presented in this House yesterday by the hon. leader of the Opposition (Mr. Wintermeyer) as being merely—and I am using my phraseology, but I do not think it is inaccurate—a rehash of what has appeared in the papers, appeared in evidence, that has been adduced by the Crown and presented in various court cases.

The thing that disturbs me about that, Mr. Speaker, is that the hon. Prime Minister has himself become guilty to a degree of the same complacency in making that kind of a comment. Because along with the evidence that the hon. leader of the Opposition presented—much has been known for quite some time, to all those people who have been on top of this issue, and there is some more I would like to add when I get to the appropriate comments in my own remarks—but along with that, there were other things, that I do not think the hon. Prime Minister can dismiss in the fashion that he has done.

For example, hon. members had the suggestion that the hon. Attorney-General—the only conclusion that one can make—is that the hon. Attorney-General stepped in at the very critical stages of the investigation with regard to the O.P.P. and the efforts of Constable Scott. Now this is extremely serious and this cannot be dismissed just as a rehash.

For example, we have had these efforts to corrupt members of the judiciary, magistrates, in the city of Toronto. I have been absolutely astounded that statements appear under the by-line of responsible reporters in this city with a backing of the papers, and there is an echoing silence from government just as though somebody had said that Monday follows Sunday—nothing more important than that. And here hon. members have a suggestion that there have been bribes even up to the extent of \$50,000, as far as one of the magistrates was concerned.

In other words, there have been too many things that suggest that there is a serious threat to the very nature of our society, if I may borrow the phraseology of Professor Morton. This is the kind of thing to which the government has not yet got close enough to recognize its serious proportions. As a matter of fact, I was just flipping through the report on syndicated gambling in New York State, and I recall the phrase there that I think is not inapplicable as far as this government is concerned. The hon. Prime Minister himself to a degree is guilty of it.

We cannot longer afford the luxury of ignoring the menace of professional gambling and all that flows from professional gambling.

The hon. Attorney-General has done this, and if the hon. Prime Minister is going to dismiss everything that was presented in this House yesterday, and more that will be coming, as a rehash, he too is guilty of the same kind of approach.

Now, Mr. Speaker, let me go back to the pattern of my remarks that I had prepared. In the traditional fashion, of course, I not only must, but I very enthusiastically, extend to you my best wishes and my sympathies for the task that you have in maintaining order in this House.

I also, have to extend congratulations to a rather lengthy list of Cabinet Ministers, and like the hon. member for Toronto-St. George (Mr. Lawrence) I am not going to go through them one by one because this would be rather a wearying thing.

I must say, Mr. Speaker, that this process of Cabinet shuffling is one of continuing fascination. Essentially, in so far as we have seen it of recent years, essentially it is a game of musical chairs, a sort of shuffling around of the various posts among the Ministers, but it has interesting variations in it. Some are on their way in, others are on their way out. This one had the added pain that some who thought they were on the way in, discovered that they were really on the way out and have not yet figured out exactly what struck them. However, I congratulate them all—those who are on the way in and those who are on the way out and those who are not sure which way they are headed at the present time.

I now turn to extend my congratulations to the mover and the seconder but I am not going to do it in the fulsome fashion that is normally done. Because, Mr. Speaker, I wonder when we are going to get to a stage—one of the hon. members did break with precedent here—when the mover and the seconder to the Speech from the Throne can deal with some of the issues that are pre-occupying the people of this province, instead of an endless and fulsome heaping of praise upon their fellows and their party.

As a matter of fact, I am emboldened to make this kind of a comment this year. I have sometimes wondered—perhaps I am a little bit unsympathetic towards the great work of this government, perhaps I do not see it in its full and rounded proportions, perhaps I am biased. But after the speeches were over the other day I happened to be chatting with a certain member on the government side—I shall never reveal his name because both his safety and his survival in the party would be seriously threatened—he would belong to those, quite rightly, who would be on the way out! But his comment was that all speeches should be restricted to three superlatives.

Even he was getting just a little bit sick of this outpouring of congratulations upon

each other. That is the kind of sentiment, I must confess, that I share.

However, I do want to make a comment about the hon. member who moved the motion. The hon. member for Toronto-St. George is by nature a rebel, he has great difficulty in accommodating himself to living within the Tory Party. That I can understand.

An hon. member: He bet on the wrong horse though.

Mr. MacDonald: He bet on the wrong horse, you bet, but some of his remarks were refreshing. But even when his remarks were refreshing he always tends to indulge in exaggerations that border on the puerile. My colleague in the House has dealt with some of them that he chose to make outside the House rather than inside the House. I just want to deal with one he did make inside the House—his comments on the Royal York strike.

He started out by saying he was in sympathy with the strikers. Well, Mr. Speaker, the strikers will be pardoned, after they read all of his remarks, if they make some such comment as that old one that "my enemies I can live with and cope with, but God protect me from my friends." Because he started out saying he was in sympathy with them and then he went on to express his own personal judgment that they had made a mistake in the timing when they started their strike.

This was the only criticism that he had to make—that they had chosen the wrong time. In other words, he from his great experience in the trade union movement and his great experience in coping with a corporation like the C.P.R. and of work within a hotel, he presumed to say that he knows more than they—they were wrong in choosing their time. From that point on he really cut loose.

They were idiotic, their tactics were idiotic. He then described them as bull-headed, and he finally concludes by saying "a pox on both their houses."

So this man who started out by being basically in sympathy with the union ends up with "a pox on both their houses." I must say, Mr. Speaker, it was one of the best mugwumpish efforts I have ever heard in this House. He certainly was on both sides and I am sure he was not too surprised when he picked up the *Globe and Mail* the next morning that the point in his remarks that got the headline was that the union in the Royal York was bull-headed.

Well, that is rather typical of the way he deals with these issues.

However, I will have to sympathize with him from this point forward—in having to get something dynamic out of the Throne Speech. Because, Mr. Speaker, this Throne Speech in my view wandered wearily for about four thousand words and then it came up with such earth-shaking pronouncements as commending the federal government for looking into health insurance.

Now, I grant hon. members that is rather difficult for a mover and a seconder to get very excited about that kind of a Throne Speech. In fact, the whole tone was a continuation of that which we saw and heard so much of in the Tory leadership campaign—pompous words parading across the landscape in search of a single new idea, and they did not come up with any new idea. As a matter of fact they thought they came up with a new idea at their convention—in that programme committee—the new idea that got some headlines in sympathetic papers, to the effect that they were going to bring in a provincial bill of rights.

New, Mr. Speaker?

Well, 14 years ago, in that banner province of Saskatchewan, Tommy Douglas introduced a provincial bill of rights. And here it is a new idea! However, it was so new that they could not grasp and retain it, so sometime between the leadership convention, some three weeks ago, and the Throne Speech, this new idea got lost and it did not even turn up in the Throne Speech.

There was another point which emerged in the debates of the mover and the seconder—their comments with regard to the Tory convention and their eulogizing because of its being so democratic. Well, Mr. Speaker, I concede that the leadership contest in that convention had all the appearance of at least a wide open battle. But that, of course, is what made it so exceptional.

If the hand that had directed the organization in the Conservative Party for more than ten years had still been around, I wonder how much even of an appearance of democracy there would have been in the leadership contest. I venture to predict that procedures would be pretty cut-and-dried.

But even if one concedes this, the convention provided an illuminating revelation of the limitations of the Tory concept of democracy in party politics. Grattan O'Leary once stated—after the last two national leadership conventions, when he was asked what he thought of the policy resolution that had been passed

—that they were not worth the paper they were written on. And he went on to add, that in the old parties—and he lumped them both together—it is the right and the prerogative of the leader to lay down policy.

Now the thing that interested me in this recent Conservative convention is that clearly the delegates accepted this as the right approach. They were not interested in policy. They simply were not interested when it was under discussion. In fact, their two policy meetings, insofar as they were reported in the press, were epic displays of mass non-participation. Out of 1,780 delegates there were 55 attended one meeting and some 40 turned up at another one. And instead of a discussion on policy matters, Mr. Speaker, apparently, if the news reports be correct, it degenerated into a verbal slug fest between Fred Gardiner and Charlotte Whitton. Now that apparently is the Tory substitute for a discussion or democracy in the shaping of policy.

Hon. A. Grossman (Minister without Portfolio): What was done at the New Democratic Party?

Mr. MacDonald: The hon. Minister without Portfolio (Mr. Grossman) should just come up and view what we did at the N.D.P. And the people who came cynically to view what happened at the N.D.P. conceded that there were never fewer than 2,000 present in the coliseum when we were discussing policy and there was a vigorous and a lively participation in it. And as was pointed out the floor was in control and repeatedly sent back things that the people at the head table, or on the platform, had decided.

Hon. Mr. Robarts: Did Mr. Douglas confirm it all?

Mr. MacDonald: Confirm all what?

Hon. Mr. Robarts: All the policies set?

Mr. MacDonald: Well, Mr. Speaker, I am not going to get into a debate on this.

However, I have been critical of the Conservatives and I want now to commend the hon. Prime Minister. I was very interested in the way he carried on his campaign and successfully won the leadership. He very seldom revealed what his policies were, but at one meeting—and I am almost wondering whether or not he was unaware of the fact that the press were there—he did discuss a little bit of policy along with some other things.

He was talking to the young Progressive-Conservatives on the campus at the University of Toronto. And I could hardly believe my eyes—although I repeat again I want to commend him—when the news story came out because it was headed: “Something different—N.D.P. will change politics says Robarts”.

Apparently what happened was that one of the students, in the question period, asked the hon. Prime Minister designate—to-be—the embryonic Premier, whatever would be the correct description of him at that point—“How do you differentiate between Conservative and Liberal policies? To me it often seems just a matter of personalities and policies thrown together for elections.” Well, the hon. Prime Minister replied, according to the *Toronto Daily Star*, in this fashion:

The old clear-cut definitions have tended to blur over the years. It is one of the problems we have in this country in our political system. Opposition parties tend to offer just more rather than anything really different. Now we have a new party coming up which is going to introduce I think some new policies. It will mould the old doctrinaire C.C.F. and the political arm of organized labour and should come up with something different.

Well, I want to congratulate the hon. Prime Minister—

Hon. Mr. Robarts: I did not say better, I said different.

Mr. MacDonald: All right, different, very well. I want to congratulate the hon. Prime Minister for his basic political realism.

He acknowledges (a) that there is no difference between the Liberals and the Conservatives, and this is part of our problem in politics in this country; and secondly, he then proceeds to say that the new party is going to bring out something different, and that this development will be good. However, in making this kind of a comment, Mr. Speaker, he of course is following in the footsteps of his predecessor who also had elements of realism on occasion—though he hid them a bit more when he was talking about topics of this nature.

The hon. member for Victoria (Mr. Frost) a year or so ago got into a private discussion with a visiting Australian political scientist who subsequently wrote a book. In this book he describes the things on the Canadian scene that attracted his attention most, and the one that he put very close to the top of the list was the emergence of a new party on the Canadian scene. But he ended up by quoting

Premier Leslie Frost of Ontario who told him this:

Mind you, I think you are right in suggesting that the next 25 years in Canada will see the emergence of an increasingly stratified conflict between a Conservative-Liberal or a Liberal-Conservative party of the right and some sort of Socialist party of the left.

That is basic realism, with regard to what is happening on the Canadian scene at the present time.

However, I want to go back to this Y.P.C. speech that the hon. Prime Minister gave on the campus of the University of Toronto, because here he breached his normal procedure of not stating policy and made two observations. Both were rather indicative of his approach and the approach of his government.

The first one was that he was not in favour of free university education. Now, Mr. Speaker, I can conceive of some arguments against free university education. I hasten to add that I have never found them convincing. I think that in this province and in this nation the development of human resources is one of our greatest challenges and if we do not succeed in facing up to this challenge, we are not going to develop this province and this nation. But I cannot conceive of how we are going to develop our human resources unless we take the dollar sign off the educational opportunities at the higher educational level.

What really puzzled me was not just the assertion of the hon. Prime Minister, that he was against this, but his reason for being against it. According to the *Toronto Telegram*—which of course always reports accurately and fairly on anything to do with the Conservative Party, and therefore I feel quite certain in accepting their version of it—he said he does not believe that free university education “gibes with free enterprise.”

If the hon. Prime Minister will forgive me for putting this very bluntly, Mr. Speaker, that is a pretty fatuous comment. I suspect it accurately reflects this idea that for some reason or other you cannot give higher education to the people on a free basis because it does not gibe with free enterprise when obviously education in the 20th century ever since the year 1900 has had nothing to do with free enterprise.

As a matter of fact, it is a comment which is in exactly the same spirit and approach as Tories were uttering 100 or 150 years ago, when they were arguing against free education at the secondary and the primary level of

school. A child received an education if he happened to be a member of a family where the pocketbook permitted it and he could go to private school, but otherwise a child became part of the great inarticulate masses who did the work and lived and died in society.

The same kind of approach today seeks to keep the dollar sign on higher educational opportunities. Cautious Toryism. This is the only way it can be described—the role the Tory party has played traditionally through history, that of a brake on the wheel of progress. We need progress but the function of the Tory party is to make it slow rather than as fast as is necessary to meet the needs of our day.

In the same spirit of cautious Toryism, you have the second comment with regard to policy advanced by the hon. Prime Minister. “A health insurance plan is at the present time beyond Ontario’s financial capability,” he said—at a time when the province of Saskatchewan under the leadership of Tommy Douglas is moving once again to pioneer—they are going to pay for it, as they did for 14 years on hospital insurance, while you dragged your feet here and would not do it unless you got help from Ottawa. They will pioneer it and they will force it so that a few years sooner the whole of the nation will get it as a result of their efforts.

“Some time we may have to consider it,” Mr. Robarts added. Cautious Toryism once again.

Mr. Speaker, if there was any comment needed to underline the need for a new party in this province and across this country, I think it was a comment of that one speech of the new hon. Prime Minister of this province (a) that there is no difference between the Liberals and Conservatives, that we must have something different, and I can assure him besides being different it will be better. In fact it will be so much better that five or ten years from now you will accept what we are now proposing—in the same way that has been going on for the last generation or more. Also, of course, that he is going to pursue this policy of cautious Toryism.

However, Mr. Speaker, to further proceed with the main theme of the Throne Speech as it was brought down. It was a theme which is now central to Tory propaganda, both federal and provincial, that good times are back again. Unemployment figures are minimized. We have John Diefenbaker going around the country, with all the melodrama of which he is so capable, accusing those

who face the facts as gloom-mongers. The Throne Speech picked up this rosy picture of development.

This may be good politics, Mr. Speaker, but it is not good economics. Just let me quote from a source which I do not think even the Tories can dismiss as being guilty of gloom-mongery. Following the recent meeting of the chamber of commerce in the city of Halifax the *Financial Post* appeared on October 7 with a front page editorial which led off like this:

Canada is in a basic long-term trouble and nothing less than really first-rate thinking and high courage will set us again on the path of progress.

That was the very sober gist of several thoughtful statements made by Canadians of stature and great experience this week.

In addition to that comment, Mr. Speaker, just last Saturday I was interested to note in an article on the financial page of the *Toronto Daily Star* comments carrying the predictions of two reputable economic analysts in this country, Dr. D. E. Armstrong of Economics Research, of Montreal, and Allan Beckett of W. A. Beckett Associates, of Toronto.

"How high will the business upturn be?" was the question that was put to these men, and the gist of their reply was, "Not very high or very long". In fact, Dr. Armstrong put it this way: "I think this good growth will last until at least January or February."

The last year, Mr. Speaker, has been marked by one very remarkable achievement. It is one to which one of my colleagues made reference earlier today—though he was having difficulty in meeting the requirements of your ruling at the time. I refer to conversions of almost mass productions to the idea of economic planning.

E. P. Taylor is calling for a federal ministry of planning. W. S. Kirkpatrick, who is the new president of the chamber of commerce and the head of Consolidated Mining & Smelting Company, declares that our present plight is the result of a lack of planning, and now we have been deluged by Macaulay plans. There are plans here; plans there; plans everywhere, but, Mr. Speaker, I want to suggest to you that there are two kinds of plans.

On the one hand there is state assistance for a continuation of big business planning and that is what most of these spokesmen are really calling for. On the other hand there is genuine economic planning with the government giving a vigorous lead in mapping

out the objectives of the nation and then developing the most effective working partnership of private, public and co-operative enterprise to meet those objectives.

In the latter, the genuine kind of planning, full employment and the welfare of the people are the stated objectives of economic activity. In the other, profits are still the prime motive and full employment, when achieved, is merely the fortuitous by-product of this kind of planning.

Indeed, the hon. leader of the Opposition, one time last year in his very frank and honest way, put the point well. He declared that he was opposed to economic planning, for that is socialism, said he. What he is in favour of is economic co-ordination.

The *Toronto Star* editorial came out with another version of it the other day—economic direction. Well, Mr. Speaker, economic co-ordination or economic direction is merely a nice euphemism for not doing enough to meet the situation, which is what both the Liberals and Conservatives will do—and as a result we shall continue to have high levels of unemployment in this country.

I turn now, Mr. Speaker, from this main theme to consider the position of two of the main groups in our economy at the present time, the agricultural industry and labour. First let me deal with the agricultural industry.

Agricultural industry today, as the hon. Prime Minister acknowledged in his comments, is faced with rather a serious position, if not a new one. It is the product of this relentless cost-price squeeze which has been going on since the peak of wartime prosperity that was reached in 1951. Periodically we hear from those who want to project the rosy side of the picture that there has been an increase—a fractional increase it should be added—in cash income of farmers. But what they constantly neglect to emphasize is the even greater increase in the cost of production that the farmer has to contend with, so that the net income of farmers continues to drop. The result of this, Mr. Speaker, the long-term result of it, I think, is something we should take a look at. And I must confess that I was impressed with discovering it for myself anew this past summer when I took the opportunity, for reasons that I will not bother the House with at the present time, to visit in rural areas throughout most of southern Ontario—indeed in all of the counties from Ottawa to your own home areas of Essex, Mr. Speaker.

I recall on one occasion when I happened

to be in the Seaway valley that I was speaking with a person in one of the little communities some 15 miles away from where the great development of the Seaway had taken place. I was rather startled to be informed by this person, who had a very close relationship with a little church in that area, that there was not a single parishioner in this little church that had indoor plumbing in their homes. When I went away and pondered this, it struck me, Mr. Speaker, as being a very illuminating and rather sad comment on the society in which we live. Here was a little community no more than 15 miles away from an area where by the application of modern skills and technology they had altered the historic course of a mighty river, they had dammed the waters as they flowed from the Great Lakes down into the sea and had made a lake and a power plant which is producing some two million horsepower each year to go out and run our industry and light our homes. Yet 15 miles away they had not succeeded in applying sufficient of these skills and modern technology to get indoor plumbing into the homes of the families which, not only themselves, but their fathers and their grandfathers before them, had pioneered and done the work in this country.

As I pondered this kind of thing even further, Mr. Speaker, I recalled a feeling of disbelief on my own part when I read some of the results years ago of the census that was taken in 1951. I have a recollection, for example, of the fact that there were almost a quarter of the homes in this country that they claimed did not have indoor plumbing. So I went back to check on this and I came across some figures that I think the House would be interested in.

I emphasize for the moment that these are 1951 census figures. They had three breakdowns in the statistics that they gave for the province of Ontario—these are not national, they are for the province of Ontario. The first one had to do with no inside piped water into the homes and, without going into the figures themselves—I will just give the percentages—the results of the census in 1951 were that 18 per cent of the homes in the province of Ontario had no inside piped water.

When you moved from the overall figure in the province to the position in rural Ontario, the 18 per cent had risen to 54 per cent with no piped water in their homes; and if you moved from the rural to the farm sector of the rural community—in other words eliminating the towns and villages—59 per

cent of them had no piped water in their homes.

There was a second indication of living standards—homes with no bathtubs or shower. Believe it or not, they were 27 per cent of the homes in the overall in the province of Ontario. But again when you moved out into rural Ontario the 27 had jumped to 68 per cent, and when you moved to the farm section of rural Ontario the 68 per cent had jumped once again to 74 per cent without bathtubs or showers.

Then there was another paragraph which you might be interested to know, dealing with toilet facilities. This was broken down, Mr. Speaker, into four columns. The first one was “flush toilet, exclusive,” the next one was “flush toilet, shared,” and the next one was “chemical toilet,” and the next one was delightfully referred to as “others.”

What I want to refer to for the moment is others, which might be translated into “no inside toilet” of any kind. What was the situation? 22 per cent of the homes in Ontario had no inside toilet of any kind. In the rural area the 22 per cent had jumped to 62 per cent, and in the farm sector of rural area, 70 per cent.

Now, what more graphic proof, Mr. Speaker, of the extent to which rural Ontario has not shared in the progress of the last 25 years? I emphasize once again that these are the figures from the 1951 census and I have sought to ascertain whether or not the new figures from the 1961 census are available and am told that they will not be available until approximately the middle of the year 1962.

It will be very interesting to see what change has taken place in this decade. We may discover that it is not as great as we think, because once again in dealing with agriculture we have to remind ourselves that agriculture reached its period of peak wartime prosperity in the year that these census figures were taken, 1951. Since then they have been the victims of this relentless tight squeeze and therefore had relatively little extra money, beyond the requirements for buying new machinery and keeping their farms up to date, to be able to survive economically. They have had very little left to be able to build the living standards within their homes.

In fact, Mr. Speaker, just before I leave that comment I was making on rural Ontario, I think it should be frankly acknowledged that if that kind of a situation were to exist in an urban area—say, here in the city of Toronto—that it would certainly be described

as a slum. It is certain that all social workers and all other interested people in the community would be focusing attention on it and it would create such concern that there would be a move that likely would be followed by pretty immediate action for redevelopment to remove this kind of condition. But in the rural areas people with these living standards have to live on from year to year with no immediate prospect of them likely being bettered.

Now, the attitude of this government, it seems to me, Mr. Speaker, in approaching not only the problems but the consequences of these problems that I have just been spelling out, is what disturbs me most. For example, I was rather interested when this new government was formed, that in the Cabinet shuffling one of the men dropped from the Cabinet happened to be one of the farm representatives. Here is a government whose basis of power rests in rural Ontario. The overwhelming majority of the seats which established their power in this Legislature, are from rural Ontario, and there have been relatively few farmers in the Cabinet.

In fact, I happened to be in a service club a year or so ago when one of the farmers in the Cabinet quite frankly said that he was appointed and given the post as Hydro Commissioner at that time, not because he knew anything about Hydro but because they wanted another farmer in the Cabinet.

Well, here we have the dropping of one of the few farmers in the Cabinet. I think it is a symbol of the attitude of this government, the real attitude of this government, towards the problems of rural Ontario.

I was out yesterday—which explains my absence from this House, I must confess I would like to have been in two places at the same time on that occasion—attending the annual meeting of the Huron County Federation of Agriculture, and one of the people who spoke rather briefly there was the local Conservative federal member, Mr. Cardiff, who, I believe, is parliamentary secretary to the federal Minister of Agriculture. I was interested in the fact that he stressed, when he was acknowledging the limitations on the extent to which the government had been able to meet some of the needs of the farmer, the fact that agriculture is a smaller and smaller sector of the economy and he finds it increasingly difficult to get the government to face up to this problem.

I think this was accurate. This is the kind of problem agriculture also faces when dealing with this government.

Let me give another example, and this is the whole approach to marketing. I am not going to thresh over all of the old straw that we had a year ago, but there is one aspect—the restrictive clauses of Bill 86—which this government has made part and parcel of the farm marketing legislation that I do want to touch on. Every time I and others in the Opposition got up and talked about this we were assured by the then hon. Minister of Agriculture (Mr. Goodfellow) that the farmers in the province of Ontario were not unhappy about Bill 86. In fact, the present Minister of Agriculture (Mr. Stewart), the newly appointed Minister, got up and vigorously defended Bill 86 in the House. Well, I had my serious doubts as to whether this was an accurate reflection of the farmers' view.

But, Mr. Speaker, my doubts have gone, I am convinced beyond any shadow of doubt now that the overwhelming majority of the farmers in this province regard this bill to be what it is, an unwarranted intervention on the part of government; Tory paternalism, which, in effect, treats the farmers of this province as adolescents who cannot really be trusted in the exercise of legislative power that is granted to them. This is what I found to be unanimously, or almost unanimously, the feeling among farmers.

Yet we have to recall, Mr. Speaker, that this Bill 86 was brought in when the farmers, at least the hog producers among them, were in a battle with the packers, and this government chose to side with the packers—P.C.'s, you know, Packers' Chums—they decided to side with them as against the hog producers when they were trying to get greater control of the market.

It is also rather ironical, Mr. Speaker, that within the past year we have had a report of a combines investigation into the packing industry in which we now have solidly documented the extent to which the packing industry has its prices rigged through the efforts of the dominant company, Canada Packers. I wonder, as the government read this report, and thinks back on the manner in which they sought to frustrate the efforts of the primary producers to get greater collective bargaining strength, what their views are.

I am also interested, for example, Mr. Speaker, in the fact that the government is now moving to acknowledge a long-standing request of organized agriculture for the establishment of a department of co-operatives. They did not, as is usual, concede the request fully. What they did was to set up a co-operative section within The Department of

Agriculture. I want to suggest though that this kind of minor departmental shuffle is not really the important thing. The important thing behind the forms of the department is, once again, the attitude of the government, and this is what disturbs me.

For example, the most important co-operative venture that has emerged in this country in recent years has been FAME, the efforts of the primary meat producers in this province to build their own packing plant. This is not a new idea, Mr. Speaker. The farmers in the province of Quebec today have meat packing plants which they own and control co-operatively, processing some 35 to 40 per cent of the meat produced in that province. If you go to little countries like Denmark you will find that 80 to 90 per cent of the meat that is processed there is handled through producer-owned and -controlled packing plants.

So this was not a revolutionary idea. And yet when the idea emerged in the House, right from the very outset we found the attitude of the government to it, so magnificently expressed by the previous Prime Minister (Mr. Frost), that he had "never heard of anything so nonsensical in his life." But that kind of attitude—he may have gone, somebody interjected to say he had gone—but the same attitude continues.

Last fall we had, the more I think of it, a calculated effort on the part of this government, or one of the agencies of this government, to frustrate the efforts to realize this new packing plant. I am referring to the decision of the Ontario Securities Commission which blocked the sale of debentures.

I was interested in attending the annual meeting of the same co-operative just about two or three weeks ago to discover that the intervention of this government on that occasion—creating for at least a time the chaos that it did in the campaign that had been mounted by these producers—the intervention of this government cost the farmers of the province of Ontario close to \$50,000.

In other words, \$50,000 of the money that they had raised to launch the whole campaign to begin with—all of their literature, all of their promotion—went down the drain in the debenture sale and they had to start all over again.

I ask you, Mr. Speaker, to contrast this kind of thing and the attitude of the government towards it, with that of another Torv government, the one in Nova Scotia. In recent years the farmers of Nova Scotia have moved towards the building of their own meat packing plants. Yet when they launched their campaign they were assured in advance by

the government that for every dollar of share capital that they raised, the government would guarantee them \$2 or \$3 in loans to be able to build their plants and get into operation. In contrast to that kind of working co-operation, there is this government with its attitude of "nothing more nonsensical" to begin with creating chaos in the early stages of the fund-raising venture; and even now, an undercurrent of opposition, which I find as I move across the province, is often centered in the local Conservative organizations in many parts of the province.

I ask you also, Mr. Speaker, to contrast by way of attitudes of government, the kind of thing that happens where a government is genuinely interested in co-ops. If you will forgive me, I will take another example from that banner province of Saskatchewan. Years ago—

Hon. J. Yaremko (Provincial Secretary): Only three superlatives in a speech.

Mr. MacDonald: Banner is not a superlative. The hon. Provincial Secretary (Mr. Yaremko) is too far away from his grammar.

Mr. Speaker, development of the oil industry in the province of Saskatchewan was proceeded with on the basis of a checkerboard system so that when drilling took place in any one of the checkers on the board, and oil was found and therefore there was a fairly good assurance that there was oil available in the neighbouring checkers, what this government in Saskatchewan—that was genuine and sympathetic to co-operatives—did was to give some of these checkers to the co-operative movements in the province. As a result, in the co-operative movement in Saskatchewan there is an oil industry which goes all the way from taking the oil out of the ground, to the refineries which they built to refine the oil, to carrying it in co-operative trucks, to the retail co-operative agencies, to the farmers who are using it in their machinery on their farms.

Farmers there can feel that this resource which is under the ground in their province is not something that is being exploited in the fashion that is happening in neighbouring Alberta, for example, by big oil companies, but rather they themselves have a share in it. This is the kind of thing that can happen when a government wishes to assist people to enter into a programme of co-operative enterprise as a contribution to economic development.

There is one other item on the farm front, Mr. Speaker, that I want to touch on. It

grows out of the observations of the hon. Prime Minister with regard to farm machinery legislation. The interesting thing about farm machinery legislation that is now being discussed in the province of Ontario is that it is to meet a problem that is by no means new. Farmers have grumbled for years about the cost of farm machinery. Indeed back in the 30's when the economic pinch was very great there were quite a number of investigations to look into the cost of farm machinery. They have grumbled in many instances about the inadequacy of farm machinery to meet the particular condition in a certain province. They have grumbled more recently about the difficulty in getting parts so that if perchance they should have a breakdown on late Friday afternoon, they find that they cannot get parts for their machinery until Monday and they lose the whole weekend in the rush of the harvest season—something which is pretty desperately important when you have the kind of weather conditions that we had this past year. So this is not new.

Indeed, in the province of Saskatchewan a man like Tommy Douglas, who works with the people to solve their problems, passed a farm machinery Act in that province in the year 1949. And I am interested to note that that farm machinery Act in Saskatchewan comprises all five of the principles which were spelled out by the executive of the Ontario Federation of Agriculture, when they raised the matter with the hon. Minister of Agriculture (Mr. Stewart) a few weeks ago.

Mr. William Tilden, the president of the Ontario Federation of Agriculture, in a recent issue of the *Rural Co-operator*, in discussing this issue, concludes thus:

Saskatchewan has a farm machinery Act and certainly farmers in the west have indicated approval of it. There is every reason to believe that Ontario farmers will be just as appreciative.

The point I am trying to make, Mr. Speaker, is that this is an old problem and the solution is one that we do not need to pioneer, because I repeat, and I point this out to the hon. Prime Minister, that the five principles that have been suggested by the O.F. of A. executive are the basic principles of the Saskatchewan Act. They are not just the one point, for example, that appears to be the point of concern in the Liberal bill that is now standing on the order paper, namely that of the provision of adequate parts.

Hon. Mr. Robarts: Mr. Speaker, the hon. member will agree that our approach to this

problem of having a look at it before we do any—

Mr. MacDonald: Well, Mr. Speaker, I am not certain that I do agree with this approach. That is the point I am getting to. In the light of the fact that the pioneering has been done, instead of this government taking its courage in its hand and bringing in a bill and letting us debate the bill—and if we wish to amend it, surely, we will have the opportunity to amend it—what is the government doing? They are going to call a meeting on December 7—

Hon. Mr. Robarts: Of the people most interested before we plan the bill, Mr. Speaker, that is what we are going to do.

Mr. MacDonald: Well, Mr. Speaker, just let me remind the hon. Prime Minister what he himself said the other day. He said we will talk about it and we will hear the representations made on December 7. And then he kept the door open, he said then we may set up a select committee to look into all the difficulties involved in this.

Well, this is really opening the door for the farm machinery companies to get in and exaggerate the problems that are going to have to be coped with so that we will have a select committee run for two or three years and perhaps the farmers will get their bill at the end of that period.

I repeat, Mr. Speaker, this is indicative, once again, of the approach of this government in coming to grips with problems of agriculture. They do not need to delay. There is no need for procrastination. All they need to do is get the statutes of the province of Saskatchewan, where they have had ten satisfactory years of operation, as testified to by the president of the Ontario Federation of Agriculture, and adopt that bill to meet the needs in the province of Ontario and bring it into this House and let us get on with the matter.

Hon. Mr. Robarts: We will look after the needs of this province and we will let the province of Saskatchewan look after itself. That is the reason we are doing it the way in which we are doing it. We are not going to accept holus-bolus—

Mr. MacDonald: Well, Mr. Speaker, I will leave the farm sector of my remarks and move now to the other great body of workers in this province, to be found in the unions of this province.

I am constantly amazed at the continuous

flow of comment from people, comment that is of a malicious nature with regard to the role of labour in the province of Ontario at the present time. If I can just take one example of this from an old union baiter from away back—the *Globe and Mail* on November 27. I find Norman L. Matthews, that ex-president of the Liberal Association of Ontario, delivering a speech to an organization in this city, and it is not surprising to discover that he was meeting in the Royal York, and this is what Mr. Matthews is reported to have said. "In the past two years there have been instances of labour union lawlessness in Ontario which previously would have been thought impossible." He said this resulted from an increasing union power "which has made legislators reluctant to deal with acts of violence and coercion by trade unions in the way they would treat the same crimes by individuals," a statement which is utter nonsense, Mr. Speaker.

He put part of the blame for this on "the sector of management that helps increase union power by agreeing to such forms of union security as the compulsory dues check-off." In other words, here is an ardent and leading Liberal of the province still arguing against dues check-off and union security. He proceeds—as did, incidentally, a number of the men as they were aspiring to the leadership of the Conservative party—he goes on to state that in many cases union leaders have abused their powers and have used them to exploit the workers. And of course he always—as did the hon. member for Dufferin-Simcoe (Mr. Downer) and others—he always picks on the teamsters union.

The abuses brought to light in the teamsters union would not have been possible if it were not for the high degree of union security granted to these unions.

Trying to smear the whole of the union movement with the sins of one sector of it. Well, Mr. Speaker, what I think these gentlemen must take a look at is the fact that in the instance that they usually pick to smear the whole labour movement, the labour movement has moved. They are coping with their problem. If you go to the United States of America where Hoffa lives—you would almost think he lived here—you will find that Mr. Hoffa has been thrown out of the trade union movement. Indeed, he is in a running battle with the trade union movement, launching \$1 million suits against the heads of the A.F.L.-C.I.O. What I sometimes wonder is: when are some of these people who spend so much of their time berating the trade union movement going to take a

look at the same kind of illegality and abuse of power that goes on in the business world?

I was interested just last week to read in the *Toronto Daily Star* the comments of a judge when he sentenced the former president of the Electrical Contractors Association of Ontario to \$7,500 for conspiring to run a combine. In sentencing him, Mr. Speaker, he made this comment: "In my view what was done in this case verges on the tactics used by racketeers and gangsters."

I look forward to somebody—on the Conservative side of the House preferably—drawing attention to this kind of thing and stressing it.

A few weeks ago I arrived in Galt on the very day on which a man who is head of an electronics industry out there, which is part of the whole electrical industry of this North American continent, who had apparently been very, very critical of myself. In discussing the combine law in the Dominion of Canada, this man went on to make these comments:

Mr. Rapsey branded the Canadian Combines Investigations Act as an importation from the United States, and the rest is a direct quote, Mr. Speaker: "where they have recently been throwing a lot of Christians to the lions to amuse the populace."

Here were the heads of the electrical industry who had combined to gouge the public of the United States of America of untold millions of dollars; for the first time they had been sentenced to spend a little time in jail as well as pay fines, and some of their colleagues on this side of the border were weeping these great tears and describing them as Christian gentlemen who were being thrown to the lions to amuse the populace.

It is this approach to such illegality in the business world that is never mentioned while gross exaggeration is made of the alleged illegality that takes place in the trade union movement.

In fact, Mr. Speaker, during this past year we have seen an epic battle take place in the province of Ontario; one of the epic struggles of the trade union movement throughout the whole history of the labour movement in this country. I am referring to the struggle that was put up by the immigrant construction workers this past summer. When the social history of this nation is written, I think you will find that struggle is going to find its way beside the Winnipeg strike and others in which the workers of this nation have fought and won their rights.

But what should not be missed, Mr. Speaker, is the fact that government neglect

—this government's neglect—was responsible for the conditions which produced that violent explosion. Just let me recall to this House a sequence of events which took place during hearings of the select committee on labour more than three years ago.

A certain witness had testified regarding alleged violence and intimidation of the teamsters union in attempting to "organize" gravel pits north of Toronto. This witness was immediately put on oath, his testimony was submitted to the hon. Attorney-General's department, which acted with exceptional speed in appointing Mr. Justice Roach as a one-man Royal commission. Here was an example which the hon. Attorney-General recognized as providing an opportunity to smear the whole trade union movement with the alleged sins of a few—and the government seized on it.

Some weeks went by, however, and the Ontario Federation of Labour returned with another brief. This was a brief in which they spelled out the illegalities that had taken place in management's participation in labour-management's relations. There had been endlessly repetitive evidence with regard to what unions had been doing and so the Ontario Federation of Labour came back just to get the record back into perspective.

I have their brief here. It is some 19 pages of solidly documented instances of illegal action on the part of management. I just want to read one portion of one page because it is very relevant to this epic battle that took place this past year:

Canada is not always the promised land for immigrants. Bruno Zannini, who founded a union for new Canadian workers, conducted a survey of bricklayers soon after his Local 35 was chartered. His survey revealed that 85 per cent of the new Canadian bricklayers he organized never received holiday pay, compulsory under Ontario law. They had never seen a holiday with pay book or the stamps. Fifty per cent of them had never heard of unemployment insurance and their employers had never deducted the worker's share or paid their own.

Most of these cases revealed outright chiselling by employers; three out of four worked for 12 hours a day including Sunday, a practice banned by law; workmen's compensation, especially needed in the construction field, was a joke—employers who were not deducting income tax payments could not be bothered making payments to the compensation board. A

common practice was to pay a worker with a post-dated cheque, when he went to cash the cheque the bank stamped it N.S.F. Although wages were pitifully low, when the worker could collect them, the men were cheated on the hours worked. If they worked 72 hours a week they were paid for 50, and if they rebelled the threat of deportation hung over their heads. Men daily work in fear of deportation.

So reported Mr. Zannini.

He was alarmed at the number of new Canadians who were trying to save every penny possible so that they could return, so they could leave and return to their native land. "All they prayed for was enough money to get out of Canada," he said.

The O.F.L. brief went on: "At least 20 per cent of the firms employing new Canadian bricklayers made income tax deductions for the total hours a man worked, although they deprived him of at least a tenth of his rightful earnings. According to their books they paid a man for his work on the job, but the worker took what he could get."

I could go on, and on, Mr. Speaker. The interesting thing is that when this was presented to the committee, I suggested that we had no alternative but to refer it to the hon. Attorney-General's department for action. After all, we had moved in precisely the same way when charges were made against the unions. But what was the result of my suggestion?

I could not even get a seconder for my motion, not even either one of the two Liberals on the committee would second the motion. I invite this House, Mr. Speaker, when they read in newspapers of Liberal M.P.'s suffering the self-imposed hardships of a week living with Italian immigrant families to recall that neither of the Liberals on that committee were willing to second the motion which would have lead directly to investigations to get the full facts and bring an end to this shameful exploitation.

Mr. E. W. Sopha (Sudbury): Well, one cannot speak—

Mr. MacDonald: However, Mr. Speaker, I do not wish to direct my main fire at the Liberals. As usual they were only an accomplice in this old party deal and I am quite willing to believe that even if they had seconded the motion the Tory majority would have killed it.

Thus it was, Mr. Speaker, that this government was responsible, with an assist from the Liberals, for the perpetuation of the conditions which produced the violent explosion

in the construction industry. If the select committee on labour and this government had done its duty there would have been no need for the Goldenberg investigation that is now underway. It would have been done three years ago and the shameful exploitation and hardships imposed upon fellow Canadians would have been halted.

That hardship did not end and has not ended now. Just let me illustrate it with one case which I drew to the attention of the public a week ago—the kind of thing that still goes on.

This will take me just a minute, Mr. Speaker, and then I will move adjournment of the debate, but it is an integral part of what I am speaking about. This is the case of a new Canadian, who was unemployed for a year prior to last June. So he went to the city of Ottawa; he answered an advertisement in the paper in the city of Ottawa. He got a job with a certain garage in the city of Ottawa.

He was forced to post a bond of \$400 as a guarantee of his integrity. And then he signed a contract in which his prospective employer would give him \$50 a week for the first month and \$75 a week after that.

Well, Mr. Speaker, after two weeks he was laid off and he was given three cheques for the amount of \$435, post-dated. But there was no money in the bank. In fact, one of the Ottawa papers, in publishing my comments last week after a statement to the press, claims even the operator of the garage is a fictitious name. And yet there is nothing which this man can do. He can take court action, which will cost him more money. Mr. Speaker, I will just read to you the last paragraph of his letter to me:

I went to the priest, the police, to a lawyer, to my union, unemployment insurance office, the Italian Consulate, the immi-

gration office, the labour board, the better business bureau, the small wage claim, and everybody turned me down. But I do not want to let this matter be dropped. I was victimized and cheated. People laugh in my face and I want justice. I just beg you to help me.

If there were ever a continuing cry of the exploited, there it is. And yet there is no law in this province to cope with this kind of thing.

Our Fair Employment Practice law? I have talked about this thing with Louis Fine, and Louis Fine quite frankly said, "I cannot do anything about it, it is outside our jurisdiction, but if you give me the details the next time one of my men go into Ottawa, I will have him look into it."

Well, I have not sent the details to Mr. Louis Fine because I think this is a matter on which something should be done at the legal level so that a man—who was exploited in this fashion by an employer who himself should have been putting up a bond as a guarantee of his integrity instead of filching the worker of \$400—there surely should be a law to protect workers from this kind of thing.

So it continues.

Well, Mr. Speaker, so will I continue tomorrow; and I will move the adjournment of the debate.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, before moving the adjournment of the House, we will proceed with any of the orders on the order paper tomorrow and the Throne Debate.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.05 o'clock p.m.

ERRATUM

(November 23, 1961)

Page	Column	Line	Correction
19	2	5	Change to read:

Mr. Rollins, Chairman; Messrs. Carruthers,



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, December 1, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, DECEMBER 1, 1961

The House met at 10.30 o'clock, a.m.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE POWER COMMISSION ACT

Hon. R. W. Macaulay (Minister of Energy Resources) moves first reading of bill intituled, An Act to amend The Power Commission Act.

Motion agreed to; first reading of the bill.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, this is a bill which amends a section of The Power Commission Act, which has provided up to this time that the Commission of Ontario Hydro shall consist of not less than three and not more than six, of which two may be and one must be a member of the executive council. The amendment provides that the commission shall be not less than three and not more than six, of whom two may be members of the executive council.

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, before the orders of the day, I would like to draw to the attention of the hon. members of this House a report that has been placed on their desks, concerning the Metropolitan Toronto system of government.

This is a 90-page document prepared by The Department of Economics with the co-operation of The Department of Municipal Affairs at the request of the special committee of the metropolitan council on metropolitan affairs. It is essentially a fact-finding report and is objective in nature. I am sure it will be useful in stimulating and crystalizing our thinking on the subject.

The Metropolitan Toronto system of government established by this Legislature in 1953 has been an outstanding success, but all of us know that the growth of Metro area and changes in basic conditions have raised questions of representation and economic balance. This report considers the financial effects of amalgamation, or of a four- or five-borough system of government on each of the 13 municipalities now in Metro.

Between 1954 and 1960 the assessed population of Metro increased from 1,253,000-odd to 1,527,000-odd, for an increase of 22 per cent. In the last seven years North York, Scarborough and Etobicoke have doubled their population, absorbing more than 90 per cent of the population growth in the whole Metropolitan Toronto area. Each has one vote on the Metropolitan Toronto Council.

The anomaly is that these three municipalities under the present system would have, by 1970, a combined population of 950,000 people, or nearly half of Metro's then total population, and close to half of its total assessment, yet would have only 13 per cent of the representation.

This report, Mr. Speaker, does not contain any recommendations, nor does it reflect the views of the government of Ontario. It is submitted as a study document to assist the special committee of Metropolitan council in any future deliberations.

Mr. V. M. Singer (York Centre): Mr. Speaker, rising out of the statement of the hon. Minister of Municipal Affairs (Mr. Cass), I wonder if he would care to advise the House whether or not he proposes to introduce any legislation at all reforming Metro along the lines of this report; or any other thoughts that the hon. Minister might have.

Hon. Mr. Cass: Well, Mr. Speaker, I might say that at the present moment I can only answer the first part of the hon. member's question by saying that I have had as little opportunity as he has to study the report, which was presented to me yesterday, so I am not in a position to say whether there would be any action on the part of this government arising out of the report.

With respect to legislation to be brought before this House concerning Metropolitan Toronto by the government, I may say that undoubtedly there will be legislation brought in during this session of the House regarding Metropolitan Toronto. As to its contents and its nature I am not in the position to say because the last meeting of Metro council for this year has not yet been held and it has been the policy of this government in the past, and I am sure will continue to be, that we do wish to have the views and the wishes and the conclusions of Metropolitan Toronto Council placed before us before we finally formulate any legislation for consideration by this House.

Mr. Singer: Is it reasonable to assume then, Mr. Speaker, that there will be no changes in the Metro system of government unless the Metro council requests it?

Hon. Mr. Cass: The hon. member may draw his own conclusions, sir, from what I have said.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, before the orders of the day, I wonder if it would be in order to ask the hon. Minister of Highways (Mr. Goodfellow) when I might expect the answer that he promised me about a week ago when he made a statement to the House with respect to the temporary service on Highway 401?

Hon. W. A. Goodfellow (Minister of Highways): Mr. Speaker, I made a note of it at the time the hon. member brought it to my attention. It got mixed up in my files, but yesterday I requested Downsview to prepare a report for the hon. member.

Mr. F. R. Oliver (Grey South): Mr. Speaker, before the orders of the day, I am prompted by the blackout, which I hope will be temporary, to ask the hon. Prime Minister (Mr. Robarts) a question in relation to the changes in the Hydro Commission, announced in the paper this morning. Does he not feel that inasmuch as the House is now in session that it would have been at least courteous to have announced these changes in the Legislature rather than in the newspaper?

Hon. J. P. Robarts (Prime Minister): Well, Mr. Speaker, the hon. Minister of Energy Resources (Mr. Macaulay) attempted to make an announcement here concerning some policies on Hydro the other day and was practically booed out of his seat. However, I will

make a note of the hon. member's remarks for future cases.

Mr. Speaker: Orders of the day.

THE REVISED STATUTES ACT

Hon. A. K. Roberts (Attorney-General) moves second reading of Bill No. 1, An Act to confirm the Revised Statutes of Ontario.

Motion agreed to; second reading of the bill.

THE FISH INSPECTION ACT

Hon. J. W. Spooner (Minister of Lands and Forests) moves second reading of Bill No. 12, An Act to amend The Fish Inspection Act.

Motion agreed to; second reading of the bill.

THE BAILIFFS ACT

Hon. Mr. Roberts moves second reading of Bill No. 14, An Act to amend The Bailiffs Act, 1960-61.

Hon. A. K. Roberts (Attorney-General): I might say that these bills would normally go to the committee on legal bills following second reading.

Mr. V. M. Singer (York Centre): Mr. Speaker, I am sorry, I could not catch the remarks of the hon. Attorney-General.

Hon. Mr. Roberts: I was making the usual announcement about the committee on legal bills dealing with these types of bills.

Motion agreed to; second reading of the bill.

THE CORONERS ACT

Hon. Mr. Roberts moves second reading of Bill No. 15, An Act to amend The Coroners Act.

Motion agreed to; second reading of the bill.

THE CROWN ATTORNEYS ACT

Hon. Mr. Roberts moves second reading of Bill No. 16, An Act to amend The Crown Attorneys Act.

Hon. Mr. Roberts: Mr. Speaker, before that motion is put, unless the hon. leader of the Opposition (Mr. Wintermeyer) wants that bill to go to the committee on legal bills, it seems to me we could let it take its normal course. It is merely providing for a Deputy Crown

Attorney in York. If that is agreeable then this will not go to the committee on legal bills.

Motion agreed to; second reading of the bill.

THE JURORS ACT

Hon. Mr. Roberts moves second reading of Bill No. 20, An Act to amend The Jurors Act.

Motion agreed to; second reading of the bill.

THE MECHANICS' LIEN ACT

Hon. Mr. Roberts moves second reading of Bill No. 23, An Act to amend The Mechanics' Lien Act.

Motion agreed to; second reading of the bill.

THE REVISED REGULATIONS OF ONTARIO, 1960

Hon. Mr. Roberts moves second reading of Bill No. 26, An Act to confirm the Revised Regulations of Ontario, 1960.

Hon. Mr. Roberts: I would not think there is any reason for those two bills, the consolidation of the statutes and regulations going to committee on legal bills unless—

Mr. Singer: Mr. Speaker, I wonder if the hon. Attorney-General (Mr. Roberts) could send that Crown Attorneys bill to the committee on legal bills?

Hon. Mr. Roberts: Well, I mentioned a moment ago—

Mr. Singer: Yes, I know, but we missed—

Hon. Mr. Roberts: Is it the wish of the Opposition that it should go?

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, as far as I personally am concerned, it would not matter but the hon. member for York Centre (Mr. Singer) has just advised me that he would like it to go and I would make that formal request, on his behalf.

Motion agreed to; second reading of the bill.

THE SUMMARY CONVICTIONS ACT

Hon. Mr. Roberts moves second reading of Bill No. 27, An Act to amend The Summary Convictions Act.

Motion agreed to; second reading of the bill.

THE TRUSTEE ACT

Hon. Mr. Roberts moves second reading of Bill No. 28, An Act to amend The Trustee Act.

Motion agreed to; second reading of the bill.

THE SANATORIA FOR CONSUMPTIVES ACT

Hon. M. B. Dymond (Minister of Health) moves second reading of Bill No. 30, An Act to amend The Sanatoria for Consumptives Act.

Motion agreed to; second reading of the bill.

THE AIR POLLUTION CONTROL ACT

Hon. Mr. Dymond moves second reading of Bill No. 31, An Act to amend The Air Pollution Act.

Motion agreed to; second reading of the bill.

Hon. J. P. Robarts (Prime Minister) moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole House.

Motion agreed to.

House in committee, Mr. K. Brown in the chair.

AMALGAMATION OF DEPARTMENTS

House in Committee on Bill No. 5, An Act to amalgamate The Department of Economics and Federal and Provincial Relations and The Department of Commerce and Development.

Sections 1 to 9, inclusive, agreed to.

Bill No. 5 reported.

ONTARIO PARKS INTEGRATION BOARD ACT

House in Committee on Bill No. 6, An Act to amend The Ontario Parks Integration Board Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 6 reported.

CONSERVATION AUTHORITIES ACT

House in committee on Bill No. 7, An Act to amend The Conservation Authorities Act.

Mr. F. R. Oliver (Grey South): Mr. Chairman, this brings up the point that has often been argued in this House. I could never understand why, when a bill of this character is before the Legislature, why the government would not be in a position to say what hon. Minister the department was going to be under, rather than say that the hon. Minister shall be a member of the executive council designated by the Lieutenant-Governor. Do you mean to tell me now that you do not know what hon. Minister it will be, and if you do know, why do you not say so in the legislation?

Hon. R. W. Macaulay (Minister of Energy Resources): Well, I would say to the hon. member who has spoken, the convenience of working it in this way is, for example, where an hon. Minister becomes ill or in some way is unable to act or a change has been made, no action can be taken in the department because there is no legal way of having someone else act on his behalf.

Mr. Oliver: That would apply to all departments.

Hon. Mr. Macaulay: This may apply in all departments, but here in this particular case relating to conservation, it is impossible to transfer conservation from one hon. Minister to another in the event of incapacity. In this instance, you will have to speak to the hon. Prime Minister (Mr. Robarts) as to the intention of what hon. Minister is to administer the branch dealing with conservation. But it was designed to introduce this section so that this could be transferred from one department without having to amend the whole Act.

Mr. Oliver: Well, there may be reasons but I do not think those are the ones.

Mr. L. Troy (Nipissing): Did the papers not already announce which hon. Minister it was going to be—I saw where Dr. Lord, the chairman of the Metropolitan conservation authority, said today it is in The Department of Lands and Forests.

Hon. Mr. Macaulay: It is possible that Dr. Lord has made that statement. I cannot be responsible for his statements.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I am prepared to say—and I think it is a matter of common knowledge—that we are going to transfer the conservation authority to The Department of Lands and Forests. This is simply a method of doing

it that allows for a certain amount of flexibility. We on this side of the House are very interested in flexibility and this is the method by which we have chosen to do it.

Mr. Troy: Mr. Chairman, was there any thought of transferring that particular branch to The Department of Municipal Affairs, because it is mostly through the municipalities that the conservation authority branch operates?

Hon. Mr. Robarts: Mr. Chairman, there are many advantages to having the conservation authority in The Department of Lands and Forests and I believe that this is where the conservation authorities were originally. This will provide for a high degree of co-operation between the conservation authorities and The Department of Lands and Forests. The Department of Lands and Forests is, of course, the best equipped department of the government as far as research facilities are concerned, as far as technical experts are concerned. All their facilities, under the amalgamation that we propose, will be available to assist the conservation authorities in the work that they are doing.

Now I think this is very logical, I think it is very workable and I think that it will lead to greater efficiency and will be of distinct assistance. It is our purpose in making the shift to provide assistance to the various conservation authorities throughout the province who are really doing such a tremendous job.

Mr. D. C. MacDonald (York South): Mr. Chairman, there is just one brief comment I would like to make on this. The other day when we were discussing the future role of the public accounts committee, the hon. Prime Minister (Mr. Robarts) saw fit to withhold action until a select committee which is looking into precisely this kind of matter had made its report.

Now that committee, on which both he and I happen to be members, has given a great deal of discussion to parks and conservation, to the fact that the jurisdiction over them is scattered through a great number of departments. I am therefore a little curious about another inconsistency on the part of this government: when it moves in advance of the committee having made a report to the House and decides that it is going to do it in this way.

I am not objecting to it. I think the logical place for conservation is in The Department of Lands and Forests, though it does

have relationship with municipal affairs, but I am just a little curious as to why he is jumping the gun and why the hon. Prime Minister was not ready to jump the gun on an even more obvious point of getting the job done with the public accounts committee.

Hon. Mr. Robarts: Mr. Chairman, we are not jumping any guns. This is a matter of government administration and frankly it is a relatively simple matter, as the hon. member admits. He admits also that he has no objection to what we were doing and it is the logical place to put it.

On the other hand, there is no parallel between this situation and the question of the function of the public accounts committee. In dealing with the function of the public accounts committee, we are contemplating—when I say we, I am now referring to the committee, to the select committee, of which I happen to be a member—the discussion there contemplated somewhat I would term rather drastic changes in the function of this committee and our government set-up. There are no drastic changes involved in what we are dealing with in this bill.

Therefore, I do not think that the hon. member can draw a parallel and say that we are beating any guns or jumping any fences or whatever the expression was that he used. As far as the public accounts committee is concerned, I would like to see the recommendation of the committee brought forward and I would like to see that recommendation considered in this House because it is, as I say, a matter of some quite complete change in the policy and the function of the committee. That is an entirely different matter than this where we are merely putting our house in order to get on with the job government.

Mr. C. E. Janes (Lambton East): Mr. Chairman, I would like to add a word. There is no better place, in my view, for this responsibility, and I have had the pleasure and honour of working on the oldest conservation authority in Ontario since its inception. Our work is practically 100 per cent with Lands and Forests.

When we ask for advice or help from anybody on reforestation and river development and so on, it is always The Department of Lands and Forests from which we get the support and help. To my knowledge they are the only department with that type of experience.

The hon. member for York South (Mr. MacDonald) mentioned municipal parks. That

is a different idea altogether. I certainly think they should go under municipal affairs. But these are different, these must in my view be under Lands and Forests.

Sections 1 to 3, inclusive, agreed to.

Bill No. 7 reported.

THE PARKS ASSISTANCE ACT

House in Committee on Bill No. 8, An Act to amend The Parks Assistance Act.

Mr. Oliver: Mr. Chairman, barring the ever-present possibility of incapacitation on the part of an hon. Minister, could the government leader tell us who will be the hon. Minister to administer this particular bill?

Hon. Mr. Macaulay: Well, this bill has named the Minister of Commerce and Development (Mr. Macaulay), but I think—

Hon. Mr. Robarts: Mr. Chairman, it will be the hon. Minister of Lands and Forests (Mr. Spooner).

Mr. V. M. Singer (York Centre): Mr. Chairman, we had a bit of a debate last year on this bill and the government at that time was most insistent that this bill be left with The Department of Commerce and Development. I am very glad to see that the government has shown a little enlightenment and did not take too long to do it. All the reasons that we got last year apparently have gone out the window. It made sense just a year ago when this was just a new bill and it makes just as much sense today.

Sections 1 to 3, inclusive, agreed to.

Bill No. 8 reported.

THE PROVINCIAL PARKS ACT

House in committee on Bill No. 9, An Act to amend The Provincial Parks Act.

Sections 1 and 2 agreed to.

Mr. J. Chapple (Fort William): Mr. Chairman, on this bill, you are turning all your officials in forestry into Ontario provincial policemen. Now, is this to be an automatic procedure; just because you are a member of the forestry branch, are you automatically a member of the O.P.P.?

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Chairman, if I may explain to the hon. member for Fort William (Mr.

Chapple), at the present time certain officials of The Department of Lands and Forests, including the district forester, the superintendent or other person in charge of the provincial parks and every forest ranger, while they are within the boundaries of a provincial park, have all the power and authority of a member of the Ontario Provincial Police. That has been found over a period of years to be most desirable.

On some occasions it has been found desirable also that a person who is a conservation officer should have the same authority as his co-workers in the provincial parks. And all we are asking for is that the title of the conservation officer should be added to those who have authority within a provincial park, to those who already have such authority.

It is purely a matter of routine, in my estimation, for greater facility and ease of maintaining law and order and all the other things that our department people have to do while within a park. They will have no such authority outside the boundaries of a provincial park.

Mr. Singer: Well, Mr. Chairman, I think I can agree with the hon. Minister that it makes some sense for remote sections of the province that foresters should have that power. But when you extend this to conservation officers! Many of these conservation areas are in pretty substantially built-up areas—

Hon. Mr. Spooner: The hon. member is on the wrong track.

Mr. Singer: Just wait till I finish! Many of these conservation areas are in substantially built-up parts of this province—Heart Lake and so on—there are several of them within the boundaries of Metropolitan Toronto and not too far from Metropolitan Toronto. If the government plans to cloak conservation officers in these areas with all the powers of police officers, I think that we should have the positive assurance to this House that these conservation officers will be given complete training as policemen.

Now it may well be that this is important, these conservation areas in the middle of built-up locations certainly need policing, but in the various Metropolitan areas there is a good force—the Metropolitan Toronto police force—and in the surrounding townships, in Chinguacousy and Toronto township, Markham and Vaughan, there are police forces. The hon. member for York North (Mr. Mackenzie) knows this. There is a real danger, to my mind, of clothing conserva-

tion officers with powers of policemen unless they are properly trained. It could lead to some very serious difficulties.

Hon. Mr. Spooner: Mr. Chairman, unfortunately the hon. member is terribly confused this morning. He is a like a friend of mine who said he never wakes up until 11:00 o'clock in the morning irrespective of what time he gets up.

If he would only read the Act, and as a well-known member of the bar I would suggest that is the best and the first thing to do, he would see that this has nothing to do with river valley conservation authorities. It has effect only while in a provincial park, and provincial parks are set aside by the proper legislation. It has nothing to do with river valley conservation authorities at all, metropolitan authority or any other kind.

Mr. Troy: I wish I had the authority of a conservation officer, I would do something. I am sure that the bill would be a little more understandable if in Section 1 after "line" you put in a comma.

As you look at it and read it again—this may be Grey Cup weekend but we are still not in the mood. It says:

Section 9 of The Provincial Parks Act is amended by inserting after "ranger" in the second line "and conservation officer" all part of the same section, "so that the section shall read as follows."

I presume that you are including in this bill the words "and conservation officers." That is what the hon. Minister has said, to bring him into the ambit of the Act so that the conservation officer has the authority that the other officers already have. I think that section would be more intelligible if you had a comma after the word "line."

Hon. H. L. Rowntree (Minister of Transport): Mr. Chairman, I think this is a very important point and I think the hon. member might move to amend the section in the terms he has described.

Mr. Troy: Well, I thank the hon. Minister very much. With that advice from the hon. Minister, a distinguished member of the bar, I so move.

Mr. Chairman: All in favour of the amendment, please say "Aye."

Those opposed, say "Nay."

Section 3 agreed to.

Bill No. 9 reported.

THE FOREST FIRES PREVENTION ACT

House in Committee on Bill No. 10, An Act to amend The Forest Fires Prevention Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 10 reported.

THE FORESTRY ACT

House in Committee on Bill No. 11, An Act to amend The Forestry Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 11 reported.

Hon. Mr. Robarts moves that the committee rise and report certain bills without amendment, and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole begs to report certain bills without amendment and asks leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. D. C. MacDonald (York South): Mr. Speaker, when the House adjourned last evening at six of the clock plus five, I had just reviewed the situation within the construction industry, particularly in the Metropolitan area, and the fact that this situation was not a new one—though it had been revealed in all its ramifications just this past year—because the details of it had been given to a select committee some three years ago. That select committee and this government refused to move so that they were in good part responsible for the perpetuation of the conditions which are now being looked into three or four years later by the Goldenberg commission.

I also pointed out that this kind of exploitation continues in many ways and cited a case of Giovanni Ariginello, an unemployed chap here in Toronto who had gone to Ottawa to get employment, got two weeks employment and meanwhile was bilked of some \$400 plus his wages for that period.

I want to suggest, Mr. Speaker, that most of the difficulties we are facing are rooted in The Department of Labour itself—its operations and administration. Many times in this House when we have been considering the estimates of The Department of Labour, we have pointed to the extent to which it is completely out of date; that its Acts are not

being administered even when they do have some relationship to modern problems.

I was rather interested, Mr. Speaker, to discover that those general charges that we had documented in some instances were very, very solidly documented once again when the report of the Royal Commission on Industrial Safety was brought down just a short time ago.

Hon. members will find for example on page 3 of the report reference to some of the Acts and regulations of the department being "archaic and outdated." Now I do not know if we used those words but certainly they are an apt description. On page 4 there is a reference to the fact that one of the Acts, The Factory, Shop and Office Building Act, which one of my colleagues has discussed a number of times in recent years, is generally "antediluvian"—a pretty harsh term coming from as responsible a body as a Royal commission.

We have on a number of occasions referred to the complacency of this department and the fact that it just was too smug in the face of the problems that kept recurring. I was interested to read on page 7 of the report this delightful understatement:

The testimony of the officers of The Department of Labour generally with respect to the adequacy of the Acts, their enforcement and the number of inspections and inspectors required, indicates a degree of satisfaction that is inconsistent with the requirements of keeping pace with the rapidly growing industrial technology.

I repeat, it is a delightful understatement, but what they are saying is that this department is just smug and complacent, with regard to its inadequacies. Perhaps the best example, without going into any more detail at this point of this particular report, was its references to the whole problem of industrial safety on pages 21 and 22, where they point to the fact that this Act has been in effect for some 45 years; that portions of the Act—the regulations relating to it—have never been clear. They report that the attitude of the associations which have been given the responsibility for safety by the Workmen's Compensation Board is one of complacency with respect to their present functions which are largely educational.

On the next page they point out that ten years ago this government set up a commission, the Roach Commission, to look into industrial safety. This commission made recommendations which have been sitting on the shelf gathering dust and now ten years

later exactly the same kind of recommendations are made again.

That, Mr. Speaker, it seems to me, is about as solid a documentation as you want of the kind of criticisms we have been making of The Department of Labour. The fact of the matter is that the operations of The Department of Labour are hopelessly inadequate for a great industrial province like the Province of Ontario.

Our horse and buggy department has wandered willy-nilly into the traffic of our modern world oblivious to its shortcomings and complacent about its actions. In fact, in this department complacency has become a disease of almost epic proportions, and I am hoping that with a new hon. Minister—though I express this hope with some trepidation—we will get at some of these problems that have not been looked into.

Now, Mr. Speaker, I turn to another topic. I am sorely tempted—I shall steel myself and discipline myself against doing this—but I am sorely tempted to preface it with a story of the emergence of the New Democratic Party in this nation and in this province during the last year. I know that I shall make no converts here. Hon. members missed the inspiration and the excitement that was testified to by critics who came to scoff and remained to be impressed at our conventions, and so on. . . . All of this is extremely important.

Interjections by hon. members.

Mr. MacDonald: Just a minute. Mr. Speaker, now I am provoked into taking a moment or so to enlighten hon. members. I have here, for example, quotations from the press who attended our national convention for one solid week. Let me quote one of them for example: Norman Campbell of the *Ottawa Citizen*:

It was the hardest working, most faithfully attended political convention ever held in Ottawa as well as being the largest in point of official delegate registration.

I refer to the *Ottawa Journal*, a good Tory paper:

So ended what may be considered one of the best attended, best organized, best publicized political conventions ever staged in Canada.

This will prove that a newspaperman who came there critical went away profoundly impressed.

In fact, Mr. Speaker, let me give just one final quote and then I remove the pain and suffering from this revelation of truth to the

Tory back benches. This is a comment by Norman Smith. He happens to be a good Conservative appointed to one of the northern commissions that looks after—

Hon. J. Yaremko (Provincial Secretary): What is the date of the clipping? Before October 27?

Mr. MacDonald: The clipping was immediately after our convention in August. Here is the quotation:

This reporter looks back on the founding convention of the New Democratic Party with a strange kind of elation: It was a humdinger. The N.D.P. is going to do things. My elation is not that of a party member, it will neither surprise nor sadden them when I say I am not a party member, nor do I plan to be, but the feeling of warmth that ran through me as the convention hall throbbed with a genuine fervor, with an awareness that democracy was showing some life. The N.D.P. is going to do things for itself and its people.

I did not plan to do this, Mr. Speaker, but I was provoked by my colleagues in the House who are thirsting for some information about this great development.

There is one aspect of this development which is a matter for consideration of this House—the financing of political parties—after all the comments that have been made with regard to it by aspirants to the leadership of the Conservative Party and by some of the peregrinating ministers of this government who are touring the province in various capacities.

An hon. member: Would the hon. member give us the meaning of that word?

Mr. MacDonald: Peregrinating? That is somebody who wanders around not knowing exactly what he is doing, where he has come from or where he is going.

Let me start, Mr. Speaker, with what may seem to be an irrelevant point but I think I can prove to hon. members that it is very relevant. During the course of the campaign for the leadership convention, one of the aspirants to the leadership of the Conservative party, the hon. member for Dufferin-Simcoe (Mr. Downer) made this comment:

I ask myself how in the name of Heaven can we expect to change the evils of our government and over-taxation if the expenditures being made during the campaign are representative of the kind of government these men expect to lead.

He showed his audience a brochure put out by the hon. Minister of The Department of Energy Resources (Mr. Macaulay) entitled "Dedication, experience, responsibility."

"And I have added extravagance," the hon. member for Dufferin-Simcoe said. "You may say that I am the candidate of the little people."

Well, apart from its demagoguery, Mr. Speaker, sheer demagoguery, I was also interested to see that when the same hon. member got to speaking to the convention he added to it even greater demagoguery. He said, for example:

I contend that money taken from the pay envelopes of the workers under the guise of union dues must not and should not be used for the furtherance of any political party. It is an evil thing. It is an evil thing that employers are forced to collect money from pay envelopes to be passed to a political party with whom they have nothing in common. It is an evil thing that workers should be forced to support a political party with whom they have nothing in common.

I just wonder, Mr. Speaker, if one could paraphrase this. Is it an evil thing when management makes compulsory collections of money from consumers in order to pass it on to their political friends? Because this is where they are getting their money.

Mr. W. B. Lewis (York Humber): There is something burning. There must be a short-circuit.

Mr. MacDonald: There is no short-circuit at all. No short-circuit at all. If it is evil that money which is part of union dues by a democratic process should be used for the financing of the party of their choice, why then should the consumers of this nation have to pay money on every product they buy, money that is going to be given by management under the table to finance a party with which the consumers have nothing in common?

Hon. M. B. Dymond (Minister of Health): Let them contract in, then, instead of contracting out.

Mr. MacDonald: However, let me proceed with the comments of the hon. member for Dufferin-Simcoe. He goes on in characteristic fashion, maligning the trade union movement for sheer political purposes:

I want to go on record that if I am elected your leader, the president of the International Brotherhood of Teamsters will

not dictate policy here in Ontario. I will not stand for dictation from Mr. Hoffa or anybody else out of our country in labour matters. It is my intention to make a thorough study of gangsterism and dictatorship in the union movement in Ontario.

I wish the hon. member displayed a small measure of the same enthusiasm about investigating gangsterism in the electrical companies and the electrical associations, and many other parts of management.

Mr. Speaker, I say this as much in sorrow as in anger, because I learned to have a great respect for the same hon. gentleman when he sat in that Chair and fulfilled the role of Speaker for a number of years; I had a respect for him because he was very fair. I do not need to tell hon. members that a Speaker is subject to a good many pressures from many directions and that it is very difficult to be fair throughout and I became convinced during his tenure of office that this man would do everything possible to be fair in the exercise of his responsibilities.

For that reason I was profoundly disillusioned that this man should make this kind of a campaign when he was aspiring to the leadership of the political party that now holds the government because, Mr. Speaker, his campaign was definitely a combination of moss-back Toryism and cheap politics from the word go.

As a matter of fact, Mr. Speaker, I have a suspicion that the people in the government party of which he is a member, considered it even cheaper than some of us on the other side of the House who had to withstand the indignity of some his attacks. So much so, I think, that in the process he has assured himself of a back bench perpetually in the government.

I know, Mr. Speaker, that the hon. member will fully understand and appreciate what I am saying this morning because if I may borrow a phrase from him, "I am just simply nailing his political hide to the fence." That was his phrase. However, I do not want to dwell on his views any further because he is not in the Cabinet and I do not know what influence he is going to have on this particular issue.

I want to get to a man who presumably may have something to do with this issue, the hon. Attorney-General (Mr. Roberts). As far back as last March the hon. Attorney-General started going around this province making statements such as the fact that the new party was going to be financed by "extortion." The hon. Attorney-General stated last March,

in all the solemn terms of which he is capable on occasion:

Many I am sure would have reservations about not only the wisdom but the validity of such a system of financing. If such a policy were adopted in this province it would raise a serious question of public interest to public policy.

In an interview after his speech, so the *Toronto Telegram* reported, on March 24, the hon. Attorney-General said he would not comment on whether Ontario might legislate against such a fund-raising activity, but said he thought the courts will accept a law British Columbia is passing barring political donations.

Then the hon. Attorney-General went on in his leadership campaign. He went into Peterborough proclaiming his theme that "I intend to hit and hit hard." He is a wonderful fellow, he has not yet figured out the difference between a fighting leader and a leader that goes around picking fights.

However, when the hon. Attorney-General went into Peterborough he had it revised slightly as to "scription by extortion"; and another phrase, "It was dangerous to the very roots of democracy."

The interesting thing, Mr. Speaker, about the danger to the roots of the democracy—if I may go back to the comments of the hon. member for Dufferin-Simcoe—if it is dangerous to the roots of democracy that the aspirant of the leadership to the party should be buying his way into power, as the hon. member for Dufferin-Simcoe said of the hon. Minister of Energy Resources, is it not equally dangerous that a party should be buying its way into power, particularly when the hon. member for Dufferin-Simcoe was living off some of the buying process during all the years in which he has been fighting Conservative election campaigns? This is sheer political hypocrisy on the part of the hon. Attorney-General and other spokesmen in the government.

Hon. A. K. Roberts (Attorney-General): May I ask—

Mr. MacDonald: No, the hon. Attorney-General may not ask. He has had all the chances to this stage, he can just sit down and keep quiet. He is the centre of a hurricane, and the centre of a hurricane is a place of inaction and silence.

Mr. Speaker, let me proceed. I do not intend to have the bluster of the hon. Attorney-General interrupt me at all. I have got the floor.

Hon. Mr. Roberts: Just do not talk about me.

Mr. MacDonald: I will continue to talk about the hon. Attorney-General because he is the focus of suspicion and inaction and most of the trouble in this government at the moment. Make no mistake about it, I am going to continue to talk about him a great deal.

Hon. Mr. Roberts: All the hon. member ever produces, though, is suspicion.

Mr. MacDonald: That is the kind of Tory speech this province has been hearing for too long.

Mr. Speaker, I was saying before I was interrupted by the hon. Attorney-General that comments of his are sheer political hypocrisy because this government, in fact the old parties, traditionally have been financed by big business interests. Let me give the hon. members one of the more recent instances of testimony.

There is a gentleman by the name of Scott. He was organizer for the Liberal Party provincially and then he became organizer of the Liberal Party nationally. Now I do not know exactly what he has become. Perhaps in fulfilment of the old adage that those who cannot teach, teach teachers; maybe those who cannot organize talk about organization. That is what he is doing a great deal of at the present time, and writing articles.

In the course of writing one of his articles in *Maclean's* magazine early in September, he pointed out how the old parties were financed. If hon. members will read it, they will find he documents it solidly. He comes up with the conclusion, which he must know something about, that the Tory party fought the last federal election on \$11 million. The Liberals were not quite so well off, they only had \$8 million; and they got most of it from the business world. This from a man who was an organizer and right in the centre of things.

I know, Mr. Speaker, that this is going to cause a lot of outcry in both the Liberal and Conservative Parties. I am reminded once again of that old comment of Henry Truman, when somebody said:

"Give them hell, Harry,"

and President Truman said,

"I am not giving them hell, I am just telling them the truth and they think it is hell."

Mr. A. J. Reaume (Essex North): No comparison at all.

Mr. MacDonald: However, Mr. Speaker, the thing that intrigues me about the approach of the hon. Attorney-General to this whole thing is that the hon. Attorney-General heads a department whose known function is to treat everybody fairly, that justice shall be administered equally; and this is precisely, of course, what the hon. Attorney-General does not want to do.

He wants to have two rules. He wants to have one rule for the financing of his own party in which they will raise money secretly from whomever they please and nobody knows anything about it. He wants to have another rule in which his opposition party, or one of his opposition parties, will have to bare the facts of how they are going to be financed. Well, we do not object to baring the facts, but it is passing strange that this kind of approach should come from the hon. Attorney-General of the province of Ontario, that he in effect should be going across this province trying to legislate against his political opponents. This is precisely what he is doing.

Hon. Mr. Roberts: Nobody said anything about legislation.

Mr. MacDonald: Mr. Speaker, may I have the floor? I think I should have the opportunity, Mr. Speaker, to comment without interruptions of the puerile and destructive nature that I usually get and I do not intend to tolerate them. Thanks.

Last winter, Mr. Speaker, an hon. colleague of mine in this House introduced a bill which could meet and resolve this situation very readily. It was a bill that presented one small amendment to The Election Act, that henceforth the central funds of political parties would be subject to a public audit. In the course of that debate the then hon. Prime Minister (Mr. Frost) got up, and with his halo fairly glistening, informed this House he knew of no contributions from the business world to the campaign of the Conservative Party. From the other side of the House the hon. leader of the Opposition (Mr. Wintermeyer) got up and he too said that he knew of no contributions that came from the business world to his party.

Mr. Speaker, I suggest this year that if the hon. Minister is the least bit worried about this, my hon. colleague is going to introduce the same bill once again, and if the hon. Minister really wants to solve this thing and put everybody on an equal basis

so that at least we will know where the funds are coming from, just support this bill.

We, Mr. Speaker, are proud of the way the New Democratic Party is financed. I do not come ashamedly at all. It is open and above board. It is in our constitution.

Interjections by hon. members.

Mr. Speaker: I would point out to the hon. members that the present speaker is the fifth who has taken part in this debate. The four previous ones had good attention from the House and I would ask that the same attention be given to the present speaker and all speakers.

Mr. MacDonald: I am not objecting to their lack of attention, I am objecting to what is accompanying their attention.

Now, Mr. Speaker, I was saying that we are proud of the way the New Democratic Party is financed. It is set down in our constitution so that all the world knows how it is financed.

Mr. J. J. Wintermeyer (Leader of the Opposition): Has the hon. member heard of John Lesage?

Mr. MacDonald: Have we heard about John Lesage? I am not interested in John Lesage; I am interested in the hon. leader of the Opposition and his operations in this province.

The New Democratic Party is financed by contributions and memberships from its individual members and contributions from its affiliate members.

Mr. Speaker, I may just enlighten the House on this one point in case the government is contemplating legislation to deal with the situation. Let me tell hon. members the procedures that are followed in making decisions with regard to affiliation. Notification is given in the normal fashion of an item on the agenda of a trade union meeting or whatever other organization it may be—for there are other organizations, fraternal and otherwise, that are affiliated. It is debated at a meeting and after the debate is held, if there is a majority vote, they then affiliate. When they affiliate they do not get contributions that amount to \$8 or \$11 million. They do not get contributions of something over \$700,000 such as the Liberal Party got from one company, the Beauharnois Construction Company, a few years ago, on which we have documented evidence. No, they make a contribution of five cents per member per month, Mr. Speaker.

However, Mr. Speaker, there are some people in these unions who are not supporters of the New Democratic Party. The constitution of the New Democratic Party lays down in very firm terms that any person who so desires can contract out so that no contributions will be made on his part. All he has to do is to sign the necessary slip or indicate it to the appropriate officer—

Interjections by hon. members.

Mr. Speaker: Order! Order! I would like to point out to the hon. members that this debate is open to all hon. members to take part. All hon. members, I understand, will have an opportunity to speak and I would ask that the hon. members as they are speaking be given attention.

Mr. MacDonald: In other words, Mr. Speaker, the democratic process in coming to this decision is doubly protected. They start out with a majority vote, which is normally the way the democratic process works, but the constitution lays down one further step that anyone in the minority, who disagrees with the majority vote, can contract out so that there is no payment on his behalf.

Now, that Mr. Speaker, is the way in which the new party is financed, and we invite the public to take a look at it. However, Mr. Speaker, when they have done that, I suggest the next thing they should do is take a look at how the old parties are financed and ask exactly the same question and demand that government, instead of having several rules, should have the same rule and make certain that the financing of these parties should become public property too.

I was interested, Mr. Speaker, to note a few weeks ago a Gallup poll in which it indicated, if I recall correctly, something in the range of 80 per cent of the people of this country feel that the financing of political parties should become public knowledge.

Mr. Speaker, there is another comment with regard to the financing of political parties, that I will come to a little later in another context.

I want to move now, Mr. Speaker, to some comments on the crime situation in the province of Ontario. At the moment, Mr. Speaker, we have the Morton report before us. There has been a great deal of criticism directed at the Morton report, some in editorials, some from the Liberal Opposition in this House.

In my view much of this criticism is somewhat misdirected. The Morton report was

compiled under pretty strict terms of reference. It was asked to spell out the operations of crime in a general way in the province of Ontario and then to examine how these problems are coped with in other jurisdictions and to suggest legal procedures whereby they might be coped with in the province of Ontario.

In other words, it was not the function of the Morton report to go beyond these legal terms of reference and to document the existence of organized crime or to draw any moral conclusions with regard to the existence of organized crime and its threat to society. The authors of the report stuck to those terms of reference.

However, Mr. Speaker, I think it is our duty in this House to go from the general observations of the Morton report to their application in the province of Ontario at the moment, and take a look at the evidence. This is what I want to do in the first portion of my remarks.

We do not have to go back very far, Mr. Speaker. In the last year or so we have had, for example, evidence of violent killings, indicative of the tie-in with organized crime. Just let me remind the House of these very briefly:

Early in 1960, there was a case of a man coming into the office of a Bay Street broker and seeking from this man a cool \$1,000 a week simply as protection—part of the so-called protection racket. When the man objected and in effect told the gentleman to get out of his office, the man went out and said, "You simply have not learned your ABCs." He came back within five minutes into this crowded Bay Street office and with four secretaries looking on, and in broad daylight, two hoodlums walked in swinging their blackjacks. They slugged the man into unconsciousness. A few months went by and we had another case that was reported in the *Toronto Daily Star*. Lorne Gibson, a 35-year-old ex-convict was forced to stand against the wall of a garage in tiny Milan Street where three bullets were pumped into his back. His death remains a mystery and the *Star* adds, "It was Toronto's first gangland killing since 1944."

In other words, Mr. Speaker, let us note the emergence of this pattern of violent attacks. We have had the Bluestein beating, of which there has been so much heard that I need add no more. We have had the mysterious beating up of the United Church minister out in Etobicoke—whether or not it has any relationship to crime nobody knows. With \$2,500 offered as a reward, the case stands unsolved.

We had, just a few weeks ago, two people murdered in a downtown boarding house, or apartment house, in the city of Toronto. The evidence seems to be very conclusive—in fact charges have been laid and arrests have been made—that it ties in with international crime. We have had still another case—that of Alberto Agueci, a resident of this city, who was beaten up and his body burned and mutilated because of his involvement in organized crime.

Let us go one step further, Mr. Speaker. We have had comments from such responsible people as Chief Mackey, who pointed out that gamblers now rule bingo in the province of Ontario and he warns that they now have a yearly take in the neighbourhood of \$6 million after all the prizes are paid for.

Hon. members periodically pick up the paper and read stories such as this one on October 4, 1961, in the Toronto *Daily Star*, that a \$3 million betting headquarters had been found in the Keele Gate Drive area of North York.

Going back a little, there is a report in the paper of an O.P.P. investigation into gambling in the province of Ontario, indicating that the probe found gambling in 27 centres throughout the province of Ontario. This is not just the normal friendly game of gambling; let us make that clear.

Where were these centres? Commissioner Ward H. Kennedy of the O.P.P. listed them: Barrie, Brantford, Chatham, Guelph, Hamilton, Kitchener, Niagara, Oshawa, Almonte, Brampton, Dundas, Fort Erie, Georgetown, Grimsby, Milton, Oakville, Perth, Preston, Simcoe, Thorold, Tillsonburg, Uxbridge, Crystal Beach, Metcalfe, Norwich, Port Credit, Sutton—this is the kind of evidence of which we have had so much.

I was interested to read an article that gave further details of this kind of thing, in *Maclean's* magazine a few weeks ago by Trent Frayne, in which he quotes Chief Mackey as stating this:

There is not a city or small town in this country that does not have bookies.

And he goes on to add:

It is estimated that the number of bookies and bookie runners in Canada is 18,000, while the number charged before the courts in a year is less than 1,000.

He quotes an eastern judge as speaking privately and saying this:

The regularity with which bookmakers appear in the courts, pay fines of a few hundred dollars and depart to take up their

books where they left off is one of the most striking absurdities in Canadian justice.

It is a laxity on the part of the courts in enforcing it!

Mr. Speaker, I think it is well for us to pause—and I am going to make my point in this connection by quoting from Trent Frayne's article—and note how crime is becoming established through professional gambling.

At the outset let me emphasize this point, which is very well known but one we should bear in mind: professional gambling is the heart of organized crime. In fact the point was made very well in a Brooklyn grand jury report in 1959, which was reported by Mr. Frayne:

Gambling is the very heart-beat of organized crime. Actually if you scratch the professional operator of a gambling venture you find the narcotics pedlar, the loan shark, the vice game operator, the white slaver and the murderer.

In other words, here is the financial heart of the whole organized criminal world.

Then in a very graphic way, Mr. Frayne indicates how organized crime is built up. At the outset he cites cases of relatively innocent bookmaking in the city of Toronto:

The bookmaker in the branch office of an insurance company in downtown Toronto not far from the R.C.M.P. headquarters, is a well made blonde girl in her middle 20s. She is the kind of friendly community servant that all bookies would like to be classed with and usually are. They simply take bets from men in the office who cannot wait to get out to the track and pay them the track price the next day if they have won. On a recent Monday, Tuesday and Wednesday she booked \$58, \$36 and \$42 respectively; her book for the three days was \$136 of which \$14 went back in \$2 bets—bettors who won—and \$122 went into her bank account.

There is stage one, Mr. Speaker, and what we have got to face up to is either enforcing the law or revising it, because the police just wink at this kind of thing. In wide-open fashion, there are bookies operating in Queen's Park right here. Right here in this building, there are bookies operating!

An hon. member: Did the hon. member buy one?

Mr. MacDonald: No, I have never bought one in my life and I do not say it proudly.

I just never get out to the racetracks and I do not frequent them from afar.

Mr. Frayne goes to the next step, Mr. Speaker:

As the dumb blondes go, this girl is a Texas Guinan, but as a bookmaker she is little better than a gifted amateur. Her next step, if she adopts the classic road to the top in her adopted profession, is to acquire a cigar store, a lunch counter, or a dry cleaning shop as a screen for her trade, a "sheet writer" to record bets that come in by the telephone; and, if she prospers, a contract with an American firm that wires the results of races at all the tracks on the continent as soon as they are run off. She might even sell cigars, although most bookies have little regard for their putative occupations. "I know a guy," says racing writer Joe Perlove, "who has this dry cleaning business but if you brought in a suit he would smack you square on the head!"

Well, that is stage two where the individual operator gets tied in with the developing organization.

What is stage three? Well, Mr. Frayne puts it very graphically.

In time a gifted bookie can graduate from his store front entirely to run his business sensibly, under a club charter from the provincial government. These charters, though, countenance members gambling with each other on the premises, but do not stretch to telephone bets from a wide public as Toronto police pointed out when they took a smart businessman named Max Bluestein, proprietor of the Lakeview athletic club, to court last December. The evidence at Bluestein's trial was that the club he ran with two other bookmakers was booking an average of \$37,000 a day in illegal bets for well over \$13 millions a year.

So there you have it, Mr. Speaker, from the individual to the tie-in with the organization, to becoming established with the approval and the knowledge of government departments—certainly with the inaction of government departments.

Then we get into the international links, Mr. Speaker. What has the evidence been in the last year with regard to the international links? We have, for example, the *Toronto Telegram* of April 22, 1961, quoting the U.S. Justice Department:

The F.B.I. and the Bureau of Narcotics, say that they have been fighting organizational crime in Canada and the United

States for 20 years and have not been getting anywhere.

This, Mr. Speaker, raises a very interesting point—the number of times we have to find out about organized crime in Canada from American sources. They have been fighting it for 20 years and the hon. Attorney-General (Mr. Roberts) has only got around to fighting it in the last 48 hours. In fact, he just learned of its existence about 48 hours ago.

Let us take another example, Mr. Speaker. The *Toronto Daily Star* on August 22, where it reported that "the New York State crime probers told the Senate subcommittee today that Toronto bookmaking is big time and linked to U.S. gamblers."

But let us turn now to a very authoritative person, Commissioner Harvison of the R.C.M.P. who came into the city of Toronto a week or so ago and made a rather remarkable statement. What Commissioner Harvison said in that speech was not something that was new in his public announcements, because as far back as last June he had made the statement that Canada was being invaded from the United States by "powerful corrupting and vicious crime syndicates."

But he spelled it out a bit more on this occasion when speaking to the Canadian Club. He apparently had come right into the city of Toronto to speak ostensibly to the Canadian Club, but in reality his words obviously were directed to the hon. Attorney-General.

Because what he said was this:

Crime syndicates in the United States have infiltrated Canadian gambling, narcotics, trafficking, counterfeiting and protection racket enterprises and seek to spread their evil influence in Canada.

He went on to ask why this was happening. He pointed out that the F.B.I. in the United States and The Attorney-General's Department there are vigorously prosecuting the leaders of organized crime and those operating it. So they are moving up to Canada, because they think these are greener fields in which to prosper and to invest their illicit gains. He pointed out that Castro has chased the gamblers out of Cuba and that they too, Mr. Speaker—

Hon. Mr. Roberts: May I—

Mr. MacDonald: Mr. Speaker, may I continue to quote from Commissioner Harvison?

Mr. Speaker: Let the member have his point of order.

Hon. Mr. Roberts: My point is this—on a point of order, that is what I am moving on—the hon. member for York South (Mr. MacDonald) is reading from a speech, he is taking certain excerpts, and I am going to ask him now if he will—I have a copy of the speech here—but if he will read the bottom of page 5, the top of page 6, particularly the centre of page 6. I will give the hon. members one sentence:

None of these operations brought the power of the syndicates into Canada

Mr. MacDonald: Mr. Speaker, this is not a point of order.

Mr. Speaker: Order!

Mr. MacDonald: Mr. Speaker, if the hon. Attorney-General (Mr. Roberts) wants to make his speeches, he can make them on his time and not mine.

Mr. Speaker, I have attempted briefly to document from sources that are public sources, available to anybody, the extent of organized crime. I want to emphasize once again that our problem has been that the people who are responsible for coming to grips with this have just refused to recognize its existence. That is basically our problem.

The hon. Attorney-General has been playing a game of make-believe for the past year. But not only the hon. Attorney-General—and this is where it becomes even more serious. For example, this year when word came from the United States—this is in August—commenting on charges before a Senate Committee in the United States, that there were phone links between Toronto and New York and gamblers and bookmakers were in big-time business in Toronto, Fred Gardiner immediately rushes into the picture and said:

I do not believe one word of it, gambling here is kaput. Ever since the Max Bluestein incident, gambling and every other racket has been 100 per cent under control here.

Hon. Mr. Roberts: That is exactly what Chief Mackey told me yesterday at noon.

Mr. MacDonald: Mr. Speaker, will you please have that hon. gentleman keep his seat?

Mr. Speaker: The Speaker will maintain order.

Mr. MacDonald: I draw your attention to a third incident, Mr. Speaker, and that is when Chief Mackey made his comment that bingo had now come into the control of

organized gamblers in the province of Ontario and that their yearly take was some \$6 million after prizes. What was the reaction of Mayor Nathan Phillips? He immediately launched a counter offensive. "Lay off bingo" was his cry. Here we have the chief of police pointing to the fact that bingo is part of organized crime and the mayor of all the people in the city of Toronto immediately demands that he lay off bingo.

Mr. Speaker, I want to suggest that statements like these from the hon. Attorney-General, from the Metro mayor, from the mayor of Toronto, are precisely the kind of protection that organized crime wants and needs in order to get established in this country.

They are almost criminal in their irresponsibility. This is lulling the public into a sense of satisfaction with regard to the situation when others have tried to point out its seriousness. I have talked to Chief Mackey no more than 48 hours ago, sitting beside him at a luncheon and I will not reveal the confidences of that discussion but they are not completely in line with what the hon. Attorney-General said just a moment ago.

The consequences of this, Mr. Speaker, are what I now want to discuss. We have the crime, the evidence of it; we have the attitude of top Tories, the hon. Attorney-General, Metro mayor and the mayor of Toronto, toward it. What disturbed me yesterday was the kind of lighthearted approach in one respect, that even the hon. Prime Minister (Mr. Robarts) took, because while he said we are going to prosecute these men vigorously—that was nothing new for the hon. Attorney-General has been saying he was going to prosecute them vigorously all the time he was saying that there was no problem. Then he went on to kind of dismiss what had been presented in this House as a rehash of information that was available in the papers and evidence submitted in the courts, as though it was not important.

Well, there was one comment in the Morton report in which they might have gone beyond their terms of reference and pointed to the long-term problem and danger of this, and I want to read that comment..

From an examination of the problem, the committee is satisfied that there is grave danger, if the present illegal gambling operation is permitted to continue, that either domestic or foreign criminal elements will prosper to such an extent as to undermine the very nature of our society.

Those are pretty serious words, Mr. Speaker:

the very nature of our society.

Commissioner Harvison, Mr. Speaker, has also pointed out once again how this threat was being established, when he said this:

The second step, when big crime syndicates move into a territory, is buying protection from prominent officials.

Now I want to pause here, Mr. Speaker, for a moment because this is a relatively new development in the province of Ontario, in the proportions that we now have to face it. It is an extension of the American pattern of crime and I think it is useful, in fact I think it is necessary, that we in this House should take a look at certain aspects of the American pattern of crime, because there is every reason to believe that they are going to be duplicated here in the province of Ontario. So let us look across the border for a moment.

The head of the U.S. Department of Justice's special group on organized crime declared about a year ago, and I am quoting here:

The underworld gets about \$9 million of the estimated \$47 billion spent annually on illegal gambling. Fully half of the syndicates' income from gambling is earmarked for protection money paid to the police and politicians.

In other words, Mr. Speaker, here is a U.S. Department of Justice special group on organized crime flatly asserting that there is a cool \$4.5 million being spent in the United States to corrupt politicians and the police as part of the whole establishment of organized crime.

Let me go to another phase of it in the United States. Alexander Heard has made a study of campaign contributions and financing of political parties in the United States, and he has estimated that organized crime currently pays for 15 per cent of campaign expenditures at state and local levels. In fact, he has documented figures in which he points out that back in 1952, that would have been some \$16 million, a figure which was ten times the national contribution of organized labour to politics and political action in the United States. Now we are getting this situation into perspective.

I want to say to Cabinet ministers who are going around today crying havoc about labour support for the New Democratic Party, through contributions of five cents per member per month, arguing that it is conscription by extortion, dangerous to the very roots of

our democracy. Perhaps their cries are to distract attention not only from the size and source of their own campaign funds but, also, from something even more insidious, something that threatens to undermine the very nature of our society—as Professor Morton puts it.

In view of the documented case of campaign contributions by organized crime in the United States and establishment of the same pattern of organized crime in Canada, it is pertinent to ask what proof the old parties are willing and able to give to the people of this province that their campaign funds are not being augmented by contributions from the leaders of organized crime? The case is even stronger for a public audit of the central funds of political parties along the lines suggested by the amendment introduced to The Election Act by one of my colleagues a year ago; and it will be introduced again this year. If political parties are not recipients of contributions from organized crime, then the obligation falls upon them to provide the proof; not simply by verbal denial of the fact, for that is not good enough, but to open their books to public audit.

Hon. J. P. Robarts (Prime Minister): May I ask, Mr. Speaker, is the hon. member reading from something, or is this his own idea?

Mr. MacDonald: These are my own ideas.

Hon. Mr. Robarts: All right, I just wondered.

Mr. MacDonald: That is right. When I am indicating a quotation, I will indicate it as a quotation.

Hon. Mr. Yaremko: That is the N.D.P. concept of justice.

Mr. K. Bryden (Woodbine): To make them publish their accounts; what are you hiding?

Mr. MacDonald: Mr. Speaker, I am willing—does the hon. gentleman know who made contributions to the Conservative Party in the last election?

Hon. Mr. Yaremko: No.

Mr. MacDonald: Well, how can he say that there were no gambling monies going into his contributions?

Hon. Mr. Yaremko: The hon. member is saying that a man is guilty until he is proven innocent.

Mr. MacDonald: How can the hon. Minister say that there were no contributions to your funds?

Interjections by hon. members.

Mr. MacDonald: Unless they are willing to publish their accounts and let the people of this province see for themselves, we have the right to say that the pattern of American organized crime is being duplicated here, and we have the evidence that in the United States 15 per cent of the funds at the state and community level are coming from organized crime. So either put up or shut up in terms of where they are getting—

Hon. Mr. Yaremko: That is the N.D.P. concept of justice.

An hon. member: Everybody knows where our funds come from, where do the hon. member's come from?

Mr. Speaker: Order, order. I would ask once again that the hon. members give all members in this debate equal consideration.

Mr. MacDonald: Now, Mr. Speaker, let me carry this one step further. Campaign funds are not the only kind of protection money that is spent by organized crime. They move directly to corrupt politicians and law-enforcement agencies, as has been pointed out—and union leaders, agree.

When the Kefauver committee exposed the operations of organized crime in the United States—operations which we have since learned extended international links into Ontario and are carefully masterminded by secret meetings of big-time gambling leaders, such as the Apalachin strategy gathering that was held—Thomas E. Dewey, then governor of New York State stated this, and I am quoting, Mr. Prime Minister, from Thomas E. Dewey:

This would not happen were there not definite links between big-time gambling racketeers and those in high office.

Indeed, the point constantly emphasized in American reports, and here the hon. Attorney-General might heed, is that we have to reckon not only with the existence of organized crime but also with wealthy and firmly established criminal classes. In the words of the American Bar Association report on organized crime, the gambling industry in the United States has and I am quoting:

acquired control of an enterprise of fantastic proportions with all the power that flows from the control of great wealth. The result has been a new type of criminal, liv-

ing in luxury, flanked by expensive attorneys and advisors, able to cut deeper into our social structure by corrupting weak officials than he ever did by open defiance and violence.

Events during the past few months in Ontario have revealed a set of gamblers in Ontario living in luxury, defended when charged by the top criminal lawyers of the province. The American Bar Association's comment obviously has application here. Indeed in Ontario this situation has already become even more blatant. The company records of the hon. Provincial Secretary's department reveal that at least one of these top criminal lawyers is a business partner with the admitted professional gambler in so-called legitimate enterprises which—there is every reason to believe—are financed by the illicit gains of organized crime.

There is no mystery as to who this person is. It is David Humphrey. His name has already been mentioned in that connection. How many more of these top criminal lawyers, who are the constant defenders of these professional gamblers when they come before the courts, are involved jointly in business enterprises with them, we do not know. The hon. Provincial Secretary's records do not provide all of these details.

But in the light of Governor Dewey's statement that this could not happen were there not definite links between big-time gambling racketeers and those in high office, I suggest that the public is entitled to a full explanation on a number of situations. Since these involve the government or departments of the government, or agencies thereof, getting the full facts on these situations is possible only through an independent commission.

Mr. Speaker, there are two kinds of ways in which a government or agency can be involved. One I would describe as being involved by negative assistance; that is they are simply doing nothing by not fulfilling their duties. Mr. Speaker, if I may pause and just emphasize this point for a moment, this is what makes the detection of organized crime particularly difficult, because the protection money that is paid is very often paid not to get somebody to do something but merely to get somebody to do nothing. If they happen to be in the appropriate government department or law-enforcement agency it is desperately difficult to be able to spot and to pin down the responsibility for somebody whose act is a negative act. He is doing nothing instead of doing something. So you have this negative kind of assistance.

On other occasions, there has been active co-operation.

Let me draw attention for a moment to some of the negative kinds of assistance. There is the situation, for example, of government-licensed social or gaming clubs. The newspapers have repeatedly commented on this. The hon. leader of the Opposition has solidly documented this situation. The *prima facie* case for a full investigation of the failure of The Department of the Attorney-General and that of the Provincial Secretary is now absolutely conclusive.

How could Max Bluestein and a couple of bookmaking partners operate government-licensed Lakeview athletic club for so long, averaging \$37,000 a day in illegal bets or well over \$13 million in a year? How?

As the Toronto *Daily Star* pointed out in a front page story by Jocko Thomas last May 26, a big time Toronto township gambling club was able to continue its operations under a provincial charter for months, even after Premier Frost had personally been informed of it by the Toronto township police chief Garnet Magill. What is the explanation for this—or even more important, for any other such clubs which are still in operation?

However, Mr. Speaker, we have got to move not from only negative assistance by doing nothing to something even more serious. There are allegations that within The Department of the Attorney-General some have moved from the negative to the active participation in the gambling world, and this is a desperately serious situation and set of allegations.

Portions of the Scott diary that were not revealed in court refer to fixes being made at Queen's Park and senior officials of The Department of the Attorney-General being involved, even to the extent of being paid \$800 a month. The hon. leader of the Opposition chose not to name the officials whose names were mentioned in the diary. Mr. Speaker, naming them is neither here nor there. The term "senior officials" encompasses a very small number of people. At the moment the offices along Bay Street and the halls of Queen's Park are buzzing with whispers concerning this matter.

If in addition to this fact, Mr. Speaker, it is true, as the evidence suggests, that the hon. Attorney-General did halt the Ontario Provincial Police investigation, then the situation becomes even more serious. When the Ontario Provincial Police conducts an investigation in which the evidence dug out involves high officials in The Department of the

Attorney-General, then it is no time for the investigation to be halted or for the evidence to be withheld from the public.

Mr. Speaker, I say this. If these men are not guilty they have every right to have their names cleared and cleared as quickly as possible. Indeed, Mr. Speaker, to maintain public confidence in as important a department as that which is responsible for the administration of justice, it is absolutely necessary that those doubts be resolved. The present situation is an intolerable one.

This is perhaps the most important matter which the hon. Prime Minister tended to slur over yesterday when he stated that the evidence given in the House was merely a rehash of what had appeared in the paper or had been submitted to the courts. The fact of the matter, in this instance, is that the evidence was withheld from the court and it would be interesting to know who was responsible for the withholding of that evidence. Only an independent inquiry can resolve this situation. It is impossible, with the government and its departments involved to this extent, that the situation should go on without being resolved, or that they themselves should be able to resolve it. You need an independent authority.

However, Mr. Speaker, let me move on. I want to refer to the role of the Liquor Licensing Board in this. Pierre Berton solidly documented just how far off-base Fred Gardiner was when he said that organized crime was "kaput" in this country with an article that was carried on August 25. I am not going to read this article, Mr. Speaker, it is a very illuminating one, but he sent out a housewife who is one of his operatives, operative 67, who spent two days moving around the city of Toronto, and in the course of two days placed 24 separate bets. He details all the elaborate ways in which crime is going on. He concludes in this fashion:

There is nothing particularly startling in what the operative did. Scores of others do it every day in Toronto. It is only significant really in the light of the curiously bland public statement such as that of Mr. Gardiner that organized crime is kaput.

But then Mr. Berton went on. He said:

If a housewife can place these bets this easily in Toronto, one wonders how is it that the bookies can continue to operate. How can private clubs with their own tickers catering to known criminals continue to hold and get a licence when honest restaurateurs all over town cannot get so much as a wine licence for a steak house?

How is it that a sleazy lounge with bookies behind the bar and prostitutes at the table can continue to enjoy the protection of the Liquor Licence Commission?

A lot of very good questions.

An hon. member: When did he write that?

Mr. MacDonald: Four months ago while you and the government were sleeping. A lot of good questions which the government should answer, Mr. Speaker, or preferably a Royal commission should get the answers, since once again the government is involved.

Let me add one more specific case. Last spring the Town Tavern was spotlighted in a blaze of publicity on account of the brutal beating of Max Bluestein. But right in the midst of this publicity the proprietor of the Town Tavern extended his holdings by the purchase, along with others, of a restaurant around the corner complete with liquor licence. In fact, I think it is a very safe statement to make, Mr. Speaker, that there would have been no purchase if there had been no liquor licence.

A place like the Town Tavern does not become the meeting place of known gamblers without the knowledge and ultimately the approval of the proprietor. Yet right in the midst of the public furor over the Bluestein beating the Liquor Licensing Board gave the proprietors of the Town Tavern a lucrative assist in extending their holdings. How can that be justified? I put that question to Judge Robb when he was before the select committee on government organization, and his explanation was that the board had no reason to delay granting the licence because appeals on the charges arising out of events in the Town Tavern might take years.

Well, Mr. Speaker, the argument that the Liquor Licensing Board was under some obligation for a quick decision which favoured the applicants is eminently unconvincing. Many applicants have been waiting for years to get a Liquor Licensing Board decision. Why the haste in this case?

Hon. Mr. Warrender: How can the hon. member blame the applicant?

Hon. Mr. Robarts: Have any charges been laid against the applicant?

Mr. MacDonald: If the hon. Ministers would listen they would see why I am blaming the applicant.

For the moment, Mr. Speaker, let me conclude with presenting to the House one further situation. Feeley and McDermott held

extensive mining claims in the Big Duck Lake area in the Thunder Bay district. In September of 1959 they were involved in the incorporation of a gold mining venture known as KRNO Mines Limited, with David Humphrey as president. Shortly after the incorporation McDermott tried to interest at least three brokers in the company using the name of a person high in The Department of Mines who was stated to be interested in the area and would be sending in a geologist to have a look at it.

A departmental geologist did make a survey during the summer of 1960. On page four among the acknowledgments is the following paragraph. I have the report right here, let me read directly from it:

During the course of the field work valuable assistance in the provision of camp facilities and transportation by helicopter was rendered by J. P. McDermott and V. T. Feeley of KRNO Mines Limited. On several occasions the use of the helicopter facilitated the examination of the mineral deposits in the area and the traversing of sections where access was difficult.

Mr. Speaker, this is a remarkable situation. Does The Department of Mines usually work in such an intimate way with mining promoters in geological surveys, particularly when the promoters involved are self-confessed professional gamblers? The danger of the leaders of organized crime digging themselves into establishment in legitimate business is an extremely important phase of this whole problem.

That is why, when the proprietor of Town Tavern buys with the assistance of the government a licensed restaurant around the corner, it is of some relevance. Yet the hon. Minister's department was working hand in glove with known professional gamblers.

Mr. Speaker, there is another intriguing feature to this report. Printed at the bottom of the front cover of the report is this notation: "This report has not been edited in order to allow immediate publication." Surely it is very strange that a technical report would be rushed into publication without the usual editing. Clearly the professional geologist whose name stands on it was unhappy about something and was seeking to protect himself.

Why the unseemly haste? Well, I will suggest an answer, and perhaps we should have it investigated to be confirmed or elaborated on. Feeley and McDermott held the vendors' shares of KRNO Mines. One week after the geological survey was released, was

rushed into print without editing, by coincidence or otherwise KRNO Mines filed its prospectus with the Ontario Securities Commission, applying for permission to release the vendors' shares for public sale.

The interesting thing here, Mr. Speaker, is that those familiar with mining have long considered the mining possibilities in the Thunder Bay district, especially for gold, to be slim indeed. The area has been prospected many times and the favourite quip in the trade is that all the gold in that district is to be found along Bay Street. This geological survey has every appearance, Mr. Speaker, of having been rushed into print just before Feeley and McDermott were about to seek permission to strike gold by bilking public by sizeable sums through the sale of the vendor shares that they controlled. Unfortunately, between—

Hon. G. C. Wardrope (Minister of Mines): I come from up there and—

Mr. MacDonald: Why is the hon. Minister so anxious to defend these men?

Hon. Mr. Wardrope: I am not defending them.

Mr. MacDonald: Why does he not let me present the facts and—

Hon. Mr. Wardrope: Because the hon. member is telling lies.

Mr. MacDonald: Why is the hon. Minister of Mines interrupting so much? I would think that silence on his part would be most appropriate.

Hon. Mr. Wardrope: The hon. member would not be happy unless he was down in the gutter anyway. Carry on.

Mr. MacDonald: Unfortunately between the time KRNO Mines made application for public sale of stock and the hearing by the Ontario Securities Commission, the news began to break of Feeley and McDermott's involvement with organized crime, and allegedly other serious ramifications of it, and so the application was turned down. I am informed that Feeley and McDermott since have lost interest in the whole venture.

However, Mr. Speaker, there is a final phase of this subject which is perhaps the most disturbing of all. Our society and civilization is built on the rule of law. When law enforcement agencies become corrupted, then indeed, as Professor Morton has warned,

the very nature of our society is being undermined.

The evidence of corruption of the judiciary and other law enforcement agencies in the United States is so widely documented and known as not to require elaboration. But what is the situation here in Ontario? Obviously the threat is a very real one. The bribery case involving the O.P.P. is now *sub judice*, but the evidence is so replete with testimony alleging corruption of various arms of the law enforcement agencies that it cannot be ignored and should not be ignored in this House.

The case of alleged bribery of a juror was dismissed for lack of conclusive evidence but the circumstances could not help but leave an uneasiness in the mind of any serious-minded citizen. We have had evidence presented to this House of a planted jury, of circumstances where, by strange coincidence, men who got on the jury in that trial happen to be involved with the company which was going to promote the stock of the mining firm that Feeley and McDermott were in.

The hon. Prime Minister cannot simply dismiss this kind of thing. This is at least *prima facie* evidence of the corruption of the judiciary and other law enforcement agencies in this province, that must be looked into. The hon. leader of the Opposition has placed on record the reported attempts to bribe Magistrate Joseph Addison with \$50,000 prior to the trial of a well-known gambler. This has been in the papers, and so has the fact that efforts were made on three occasions to influence Magistrate Fred Thompson on a case involving another gambler who was before him. It is inconceivable that the hon. Attorney-General would have done nothing about these serious threats to the integrity of our judiciary.

After all the public discussion these matters have provoked surely some public statements from the hon. Attorney-General as to what he did in these cases is long overdue. But the threat does not end there.

Richard Hayward of the Toronto *Telegram* is one of the most knowledgeable and reliable reporters in his field. On November 10 the *Telegram* carried a front-page story by Mr. Hayward. I assume the hon. Attorney-General reads the Toronto *Telegram*, and I am wondering why we have not had something from him on this.

The opening paragraph of Mr. Hayward's story was this: "There is organized crime in Ontario and municipal police chiefs could help the Attorney-General expose it if they

want to." That is the end of the quotation for the moment.

Mr. Hayward had canvassed the situation with police chiefs across the province, reported their understandable reluctance to give details, but then he went on, and I am quoting from Mr. Hayward's article:

One told me that a known gambler had been vouched for by a police chief so that he could obtain a charter for his social club.

This is a highly inappropriate point for the hon. Provincial Secretary, who has gone out. . . . He cannot speak, Mr. Speaker, he has gone out.

Hon. Mr. Yaremko: I certainly can on a point of personal privilege, Mr. Speaker. I think it was very unfair but typical of the hon. member to make a remark like that. I am going out not because I want to, but because I have to fulfil another duty and it will be the first time I have ever left the House.

Mr. MacDonald: Mr. Speaker, let me read—

Hon. Mr. Yaremko: May I ask the hon. member to withdraw that remark?

Mr. Speaker: Order!

Mr. MacDonald: I am not going to withdraw any—

Mr. Speaker: Order!

Hon. Mr. Yaremko: Mr. Speaker, the hon. member is imputing the motives of my leaving this House.

Mr. Speaker: Order! It is highly improper for hon. members of this Legislature to impute motives to other members. If any hon. member leaves this Chamber no other member can impute the motive for his leaving.

Mr. MacDonald: Mr. Speaker, earlier in this debate the hon. Provincial Secretary has been constantly interrupting and saying "we are doing everything, we are on top of the job, we are looking after it" and then when I read from a story that was carried on the front page of the *Toronto Telegram* which said "One police chief told me that a known gambler had been vouched for by a police chief so that he could obtain a charter for his social club"—all I added was that it was highly inappropriate that the hon. Minister should be out when I was saying this kind of thing; he should be in the House here to listen, because I am providing evidence that I want some action on.

Hon. Mr. Yaremko: What kind of evidence is that?

Mr. MacDonald: Mr. Speaker, if the hon. Minister will sit down, I will repeat it. I said that this man is a highly reliable and knowledgeable reporter in his field and he published this on the front page of the *Toronto Telegram*, which is a Tory supporting paper. If this is not *prima facie* evidence enough for the hon. Provincial Secretary to get out of his seat and do something, instead of being a negative participant in the establishment of organized crime, then I do not know, and I shall continue to present my case.

I continue with a quote from Mr. Hayward:

Later the same gambler is reported to have paid for part of a reception held by the chief. I saw this police chief. He admitted to me that he took money from the gambler but only for one round of drinks. Another chief said that he had been told by a big-time gambler that he was "paying off from here to Toronto." He added that although he knew who was getting the money in Toronto, "it would cost me my life to reveal it." Still another police chief said he knew of gamblers using an airstrip in his community to fly back and forth from Toronto for gaming purposes. In another city a police sergeant was told if he continued his harassment of certain gambling houses he would be taken care of. He did, and was. After one more raid the sergeant was assigned to permanent desk duty but not until he had been offered a bribe which he refused.

Hon. Mr. Robarts: Is the hon. member quoting?

Mr. MacDonald: I am quoting, still quoting:

The chief of another city told of gamblers' political influence. He gave details off the record.

Hon. Mr. Warrender: All hearsay evidence.

Mr. MacDonald: Mr. Speaker, it is about time the hon. Minister collected some of the hearsay evidence and did something about it. This is smug complacency, a negative assist to these people to get established.

It is absolutely incredible, Mr. Speaker, that such accounts should be published without any statement or action by this government. I assume the hon. Attorney-General, as I said before, is reading the *Telegram* and therefore I ask: Why his silence, because that was published on November 10.

The United States Attorney-General Robert Kennedy has declared, and I am quoting, "If we do not, on a national scale, attack criminals with weapons and techniques as effective as their own they will destroy us."

Contrast that with the complacency of our hon. Attorney-General who has had to be badgered and beaten by events, by the public, by the press, by the Opposition, before he would even acknowledge the existence of organized crime.

The hon. Attorney-General's record in this connection is one of indescribable irresponsibility. It is almost beyond belief that with this record he should have been re-appointed to the post of Attorney-General in the new government. If the circumstances within the Tory party following the leadership convention dictated his re-appointment then, Mr. Speaker, all I have to say is that the welfare of the Conservative party has been given precedence over the welfare of the province of Ontario.

The case for a Royal commission is now absolutely beyond dispute. Government agencies and departments of this government, according to evidence that is now before the House, are involved. Mr. Speaker, this is the kind of situation which must be resolved. We must have the full facts, the public are entitled to them, and because the government is involved they themselves cannot do the investigation.

I would say that the case for a Royal commission is now conclusive to everybody—except those within the government who, if they continue their present approach, leave the public with no other alternative but to come to the conclusion that they dare not let the full facts become known, because it will blow the government right out of office.

I turn finally now, Mr. Speaker, to some amendments which I would like to move. I would like to preface it with these comments. I doubt whether there has ever been an occasion in which a political party in this country is speaking with such a babel of voices and such a confusion of policy as the Liberal Party at the present time. For example, Mr. Speaker, the hon. leader of the Opposition got up in the House last year and made a very impassioned plea for mass immigration to this country. The day afterwards his federal leader went into the city of Hamilton and said, in effect, that now is not the time for mass immigration. And I was very interested to see that just two or three days ago, when Walter Gordon was speaking here in the city of Toronto, he

said, "I do not support immigration under present circumstances." One wonders what is the policy of the Liberal Party on immigration.

I was interested to note the other day, for example, that the federal leader of the Liberal Party attacked the New Democratic Party for its policy of bringing old age pensions up in line with the cost of living today, namely \$75 a month, and said this was impossible and heaped scorn on this story. I was interested in it because just a year or two ago I sat and listened to the hon. member for Bracondale (Mr. Gould) make a plea in this House that not the federal government but the provincial government should be paying pensions of \$75. If it is not possible for the federal government to finance the \$75 pension, what about the voice of the Liberals who want it to be done provincially?

And health insurance! We all know that the Liberals have been talking about health insurance since 1919. We all know that they fought eight elections and won seven of them before 1957, and during the 38 years they did nothing about it. By 1955 they had backed away from their policy altogether.

A year or so ago in this House the Liberal Party introduced a motion in which they called for the establishment of a province-wide health insurance programme that would be prepaid, et cetera, et cetera. They did not clarify the nature of the programme so we moved an amendment that it would be "government-sponsored," and automatically the Liberals got into a battle in which their true interests with the Tories were revealed. They opposed the idea it should be government-sponsored and voted with the government to end a debate on their own motion.

Confusion in strategy as well as a confusion in politics. It is interesting to speculate as to what their policy is today on health insurance because undoubtedly it is an important matter. If they have been talking about it since 1919, it must be an important matter, yet it is not included in their amendments.

Finally, Mr. Speaker—perhaps the epitome of the confusion—we come back to sales tax. After promoting it for three or four years last spring they suddenly did a switch and tried to catch the political wind by opposing it in the House. More recently they have come out with a position that can only be described as supporting it with certain revisions. Heaven knows what their policy will be a few months from now.

Finally, Mr. Speaker, I was not able to

follow the tortuous explanation of the hon. leader of the Opposition (Mr. Wintermeyer) when he said that he was not going to call for a Royal commission to investigate crime because somehow or other that would mean that the back benchers of the Conservative party would have to vote against it. Since they traditionally vote against an amendment to the Throne Speech, this meant it would not be a good thing to put it in there. Now, I want to suggest to you, Mr. Speaker, that if the back benchers of the Conservative party are putting the welfare of the province of Ontario ahead of the welfare of their own party, they will vote for a motion to have an investigation of crime in this province, and therefore it should be part of a want-of-confidence motion.

For that reason, Mr. Speaker, I move seconded by the hon. member for Wentworth East (Mr. Gisborn):

That the amendment to the motion for an Address in Reply to the Speech of the Honourable the Lieutenant-Governor now before the House be amended:

(a) By striking out clauses 1 and 2 thereof and substituting the following:

1. That the government has refused to appoint a commission to conduct a full, untrammelled public inquiry into the organized crime in this province in all its ramifications, has otherwise failed to take adequate steps to protect the people of the province against this deadly menace, and has indeed, by its negligence and its refusal to face up realistically to the known facts, permitted organized crime to extend its foothold in the province.

2. That the government has not seen fit to eliminate the retail sales tax and to rely instead on more equitable and progressive methods of raising money, such as corporation and income taxes, revenues from natural resources and a weight-distance tax.

(b) By adding thereto the following:

And this House further regrets:

1. That the government has failed to disclose any genuine awareness of the imperative need for comprehensive social and economic planning to provide continuous economic growth, full employment and

balanced development of all sections of the province.

2. That the government has failed to act decisively and with a due sense of urgency to remedy the gross neglect of adequate safety precautions in important sections of Ontario industry, particularly the construction industry, and has thereby permitted the safety and even the lives of countless workmen to remain in jeopardy.

3. That the government has announced no plans to encourage farmers' economic organizations but on the contrary is continuing to hamstring such organizations with restrictive legislation, thereby undermining the position of the independent farmer and the family farm.

4. That the government has not seen fit to proceed with a programme of health insurance, covering medical and other related services as well as hospital services.

5. That the government has failed to develop a co-ordinated welfare programme designed to help all those in need regardless of category or residential qualifications, and in particular, has failed to establish welfare allowances on a budgetary basis in line with the Ontario Welfare Council's suggested minimum income and to negotiate an agreement with Ottawa for a cost-sharing arrangement to replace the present multiplicity of specific grants.

6. That the government has not announced any intention to proceed with a bill of rights for this province.

Mr. J. H. White (London South) moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, in moving the adjournment of the House, on Monday we will proceed with some other orders on the order paper, there are some second readings of bills that have not come up yet, and we will proceed with the Throne Speech debate.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 12.50 o'clock, p.m.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, December 4, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, DECEMBER 4, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the east gallery students from Holy Rosary School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the township of Etobicoke praying that an Act may pass providing that the provisions of The Public Parks Act shall not apply to the township.

Of the corporation of the city of Hamilton praying that an Act may pass incorporating the board of governors of the Hamilton civic hospitals; and for related purposes.

Of the corporation of the township of Toronto praying that an Act may pass respecting payment for services installed in advance of development of land.

Mr. Speaker: Presenting reports by committees.

Mr. C. T. Rollins, from the select committee appointed to prepare the list of hon. members to compose the standing committees of the House, presented the committee's second report which was read as follows and adopted:

Your committee recommends that the standing committees on public accounts and on conservation, lands and forests ordered by the House on Tuesday last, November 28, be composed as follows:

Committee on Public Accounts—Messrs. Auld, Beckett, Boyer, Brown, Brunelle, Bryden, Chapple, Cowling, Davis, Downer, Edwards (Perth), Edwards (Wentworth), Fullerton, Gomme, Gould, Grossman, Guindon, Hanna, Haskett, Hoffman, Janes, Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lyons, MacDonald, Mackenzie, MacNaughton, Morrow, Myers, Noden, Oliver, Parry, Price, Reaume, Rollins, Rowntree, Sandercock, Simonett, Singer, Sutton, Thomas, Thompson, Trotter, Whicher, White, Whitney, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on Conservation, Lands and Forests—Messrs. Allen (Middlesex South), Auld, Belanger, Belisle, Boyer, Brunelle, Bukator, Carruthers, Chapple, Davison, Downer, Edwards (Perth), Evans, Fullerton, Gisborn, Gomme, Guindon, Hall, Hamilton, Hoffman, Innes, Janes, Johnston (Carleton), Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, McNeil, Noden, Oliver, Parry, Price, Rollins, Root, Sandercock, Simonett, Sopha, Spence, Sutton, Troy, Whicher, White, Wintermeyer—50.

The quorum of the said committee to consist of seven members.

Mr. Speaker: Motions.

Introduction of bills.

THE ELECTION ACT

Mr. K. Bryden (Woodbine) moves first reading of bill intituled, An Act to amend The Election Act.

Motion agreed to; first reading of the bill.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, there are two questions I would like to ask, on both of which I have given notice.

The first one is to the hon. Attorney-General (Mr. Roberts): In Saturday's issue of the Peterborough *Examiner*, there appears a letter from Inspector Allan Stringer of the OPP in reply to allegations that he had tipped off gamblers with regard to undercover work against them.

Now, Mr. Speaker, at your suggestion I shall not give the substance of the quote. But what Mr. Stringer in effect has said is that "over-zealous underlings" of the hon. Attorney-General have been responsible for digging-out information with regard to organized crime in this province, information which the hon. Attorney-General has then just proceeded to use as a "stepping stone to higher places." Would the hon. Attorney-General comment on this and indicate what action he proposes to take in the light of Inspector Stringer's letter?

Hon. A. K. Roberts (Attorney-General): Well, Mr. Speaker, the hon. member for York South (Mr. MacDonald) has considerably shortened the quotes he had in the—

Mr. MacDonald: At the request of Mr. Speaker.

Hon. Mr. Roberts: However, my answer, which may not be quite as apparent without all the quotes which I would have appreciated having, my answer is simply this: my comment is that the material as quoted appears to me to be garbled nonsense. Insofar as there may be matters concerning discipline internal to the force, the commissioner of the Ontario Provincial Police has the matter in hand.

Mr. MacDonald: Garbled nonsense! Mr. Speaker, I would like to ask as a supplementary question: the garbled nonsense is in reference to Inspector Stringer's statement, is it?

Hon. Mr. Roberts: In reference to the material which the hon. member presented to me preliminary to his question, which I answered accordingly.

Mr. MacDonald: Well, Mr. Speaker, my second question was to the hon. Minister of Agriculture (Mr. Stewart). The hon. Minister informed the House last Tuesday that a meeting of the standing committee on agriculture will be held on Thursday, December 7, and as quoted in *Hansard*, its purpose was for the hearing of recommendations of the Ontario Federation of Agriculture, and any others who may be interested, relative to an agricultural machinery Act in the province of Ontario.

Mr. Speaker, I happened to meet some top officers of the Ontario Farmers' Union last Friday here in the Parliament Buildings and discovered in talking with them that they were unaware of this meeting. Since the hon. Minister has stated that this meeting was for the purpose of hearing the views of any others who may be interested—and they are so interested as to have passed a resolution at their convention—will he inform the House who or what organizations have officially been invited to attend this meeting?

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, in answer to the question of the hon. member, I thank him for his advance notice of this.

I might say that a letter was forwarded under date of November 29 to the president of the Ontario Farmers' Union. This was the

day following the day the announcement was made in the House, if I am correct. It may not have reached him. I have a copy of the letter right here, it is dated November 29, and addressed to Mr. Melvin L. Tebbut informing him of the meeting and asking if he would like to send a representative to the meeting.

I cannot understand how he did not know, but he might not have been home to have received his mail; or perhaps it is someone else to whom the hon. member is referring.

The Ontario Federation of Agriculture was advised on the same date, as well as the Ontario Retail Farm Equipment Dealers Association. We have a letter confirming their notification.

I have great respect for our gentlemen in the press gallery and I am sure that the reporting of this has reached many people in the province, some of whom have called suggesting they might like to come. To any of those who want to come, the meeting is wide open.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motions:

Bill No. 5, An Act to amalgamate The Department of Economics and Federal and Provincial Relations and The Department of Commerce and Development.

Bill No. 6, An Act to amend The Ontario Parks Integration Board Act.

Bill No. 7, An Act to amend The Conservation Authorities Act.

Bill No. 8, An Act to amend The Parks Assistance Act.

Bill No. 9, An Act to amend The Provincial Parks Act.

Bill No. 10, An Act to amend The Forest Fires Prevention Act.

Bill No. 11, An Act to amend The Forestry Act.

THE DEVOLUTION OF ESTATES ACT

Hon. A. K. Roberts (Attorney-General) moves second reading of Bill No. 17, An Act to amend The Devolution of Estates Act.

Motion agreed to; second reading of the bill.

THE DIVISION COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 18, An Act to amend The Division Courts Act.

Motion agreed to; second reading of the bill.

THE FIRE MARSHALS ACT

Hon. Mr. Roberts moves second reading of Bill No. 19, An Act to amend The Fire Marshals Act.

Motion agreed to; second reading of the bill.

THE LEGITIMACY ACT, 1961-62

Hon. Mr. Roberts moves second reading of Bill No. 21, The Legitimacy Act, 1961-62.

Motion agreed to; second reading of the bill.

THE MASTER AND SERVANT ACT

Hon. Mr. Roberts moves second reading of Bill No. 22, An Act to amend The Master and Servant Act.

Motion agreed to; second reading of the bill.

THE MAINTENANCE ORDERS ACT

Hon. Mr. Roberts moves second reading of Bill No. 25, An Act to amend The Reciprocal Enforcement of Maintenance Orders Act.

Motion agreed to; second reading of the bill.

THE DENTISTRY ACT

Hon. M. B. Dymond (Minister of Health) moves second reading of Bill No. 29, An Act to amend The Dentistry Act.

Motion agreed to; second reading of the bill.

THE CANCER ACT

Hon. Mr. Dymond moves second reading of Bill No. 32, An Act to amend The Cancer Act.

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF EDUCATION ACT

Hon. J. P. Robarts (Prime Minister) moves second reading of Bill No. 33, An Act to amend The Department of Education Act.

Motion agreed to; second reading of the bill.

THE SCHOOLS ADMINISTRATION ACT

Hon. Mr. Robarts moves second reading of Bill No. 34, An Act to amend The Schools Administration Act.

Motion agreed to; second reading of the bill.

THE PUBLIC HEALTH ACT

Hon. Mr. Dymond moves second reading of Bill No. 35, An Act to amend The Public Health Act.

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, may I first take this opportunity to extend my thanks and appreciation and my compliments to you, sir, for the able manner in which you perform your very onerous duties. I feel confident that my remarks this afternoon will be of such a nature that your duties will be very light in controlling the House.

The purpose of my remarks is to attempt in my own way to give to you, sir, and to the hon. members of this House some facts and information relative to the operation of a number of the branches of The Department of Lands and Forests. We have in this department many different functions to perform and I felt that it would be more advisable if I might be given the opportunity to deal with a number of these things at different times during the session of the House, so that one would not have to listen to matters relating only to Lands and Forests and its operation all on the same day.

One of the problems of forest management, of course, which is one of our prime responsibilities, is that even with this province's great productive capacity regeneration and growth of desired tree species on cut-over land is most imperative. Hence the advanced plan of forest management which has been advanced by the department's officials and staff

is vital to meeting future needs of the people of Ontario, even though our forest lands have the productive capacity to meet the new demands of industry in the near future without any intensive utilization.

It is estimated that Ontario will have a population of eight million people by 1975 and that the demand for timber from Crown lands will double by 1980, or in about 20 years.

Management plans, which are required from all licensees holding 50 square miles or more, must provide for the orderly regulation of development, harvesting, regeneration and treatment of the area under licence. In case of the Crown management unit, the management plans are prepared by department foresters and are kept on file here in our office and through our different district offices.

These management plans may vary from a scheme for the development of potential timber values in the hinterland; to active, realistic operational prescriptions to meet clearly stated objectives of established industry in areas where the available timber and the market demands are nearly in balance.

This department manages 148,000 square miles of the province's productive forest, of which 82,000 square miles is under Crown timber licence to the forest industries. The total net volume of timber cut on Crown timber licences is in the neighbourhood of 350 million cubic feet, with a stumpage value of \$12 million. The cut is about 90 per cent in coniferous forest and 10 per cent hardwoods.

The allowable annual cut of coniferous growth on Crown land equals 700 million cubic feet; the annual allowable cut of hardwoods equals 520 million cubic feet. The total allowable annual cut equals 1,220 million cubic feet, which is over twice the actual cut of coniferous timber and 15 times the actual cut of hardwood.

The broad objectives of the timber branch are to manage the Crown forests of Ontario so as to provide the established forest industry with its present requirements, to meet the needs of expansion, and to provide, by sale and licensing, a supply of timber for new industry and new utilization up to the volume of allowable cut.

In order to meet these objectives, the timber branch conducts forest surveys and compiles the forest inventory, prepares its own management plans and analyzes and approves those furnished by industry. It operates 11 nurseries producing 50 million trees annually, conducts silvicultural operations for stand improvement, and operates a licensing

system for the sale of standing timber. In short, the main functions of the branch are timber production and sales.

In addition to responsibilities on Crown lands, the timber branch also manages 143,000 acres for counties, municipalities and conservation authorities, known as agreement forests, all managed under the terms of specific agreements. The branch also conducts a forestry extension service, which is concentrated mainly on private woodlots in southern Ontario, but some 85,000 persons—land-owners, mostly farmers, and some others—are interested in this extension programme.

The organization of management planning and forest inventory has been based on the characteristics of the forest associations found in Ontario. A realistic silvicultural practice is being carried out, on the basis of these associations. The methods used in planning and inventory have been influenced basically by the existing and probable markets for timber products, the mass production techniques of the logging industry, the cost of regeneration and the present economic development of the forest industry. The best principles of textbook forestry have been advanced in our new plans.

Our forest industry and management planning is integrated in structure, so that there is hardly any line of demarcation between them. Management planning in Ontario under the revised methods now in effect takes into consideration the experience gained in the last 15 years or more in the intensive use and analysis of plans and inventory which were completed during this period.

The preparation of normal yield tables and extensive work on cull studies has supplemented the forest inventory to a large degree. In the reinventory programme now in its fourth year, normal yield tables are used exclusively in determining volume and increment, for annual growth. The first forest resources inventory was begun in 1946 and completed in 1957. Reinventory commenced in 1955.

This reinventory programme provides for re-photography every ten years. The inventory is designed to meet the demands of the method of management which will probably be a form of clear-cutting over 75 per cent of Ontario, with provision for regeneration, either artificial or natural, assisted by the modification of cutting methods.

Re-photography of approximately 18,000 square miles annually will cover the total exploitable forest area of 180,000 square miles in ten years. This inventory method—

which by the way is done by aerial photography—is fast, flexible and relatively inexpensive. It records the basic data in a form that permits ready access for statistical purposes, and provides the detailed stand information required as a basis for management planning.

Management planning is concerned with the rational utilization of forest resources as well as the organization and maintenance of the forest for sustained yield purposes. During the transition from the unmanaged to the managed forest abnormal conditions exist and the management plan, if it is to be of any value, must achieve the best possible compromise between what is economically possible at a given time and what is technically desirable.

Therefore during this period of conversion, the management plan must strive to achieve the following broad objectives:

First, it must strive to meet the economic needs of the existing forest industries and the forest requirements of the present generation.

Second, it must promote the utilization of surplus forest resources through the establishment of new industry.

Third, it must strive to lay the foundation, through long-range plans, for an approach to the balanced or normal forest so as to secure sustained maximum production.

The trend of Ontario's forest industry has been upwards since 1958. In 1960, Ontario pulp and paper mills surpassed all previous records with an output of about \$495 million, a seven per cent increase over the previous year. Newsprint production was up over seven per cent; in fact this part of the forest industry has the highest annual rate of growth in output since 1946.

The production of woodpulp was substantially ahead, too, and the volume of paper board, and book and writing paper was up more than four per cent over 1959.

The United States continues to be by far the largest market for Ontario's newsprint, using about four-fifths of the output. Exports to overseas countries have reached a record level and are expected to continue rising; I would say that the overall newsprint prospects are good. By the same token, the healthy state of the pulp and paper industry has stimulated logging operations, so that there was a nine per cent increase over 1959 in the volume of wood cut on forest lands.

This is a very important industry. The immense value of the pulp and paper and lumber industries in the provincial economy can easily be realized when it is pointed out

that they employ more than 26,000 people—about 21,000 of them in pulp and paper—and pay salaries of about \$110 million.

When we include industries that are wholly or partly dependent on wood, we find some 80,000 people employed in Ontario, receiving salaries of upwards of \$315 million and with an annual output of about \$600 million. Pulp and paper and lumber industries together spend annually more than \$31 million for fuel and electricity; several hundred millions are invested in plant and materials. The sale value of factory shipments of pulp and paper products approximates \$443 million.

Proper forest management is vital when we consider that forests cover nearly three-quarters of our province. Our 200 million acres of forest land represent more than 15 per cent of Canada's forests. Of this, almost two-thirds is productive and supports a great many industries using wood in manufactures. More important still, 90 per cent of our forests are owned by the Crown—the people of this province—and are administered for them by the Ontario government.

Our presently accessible merchantable timber is estimated at nearly 85 billion cubic feet, and its predominant Crown ownership favours our system of province-wide planning and management. Our department has made great strides in promoting complete utilization of forestry products and eliminating waste.

For example, by suggesting—and that is not quite the right word, because I think we are a little bit more forceful than that—but I use that word—by suggesting the installation of chippers in saw-logging operations with the chips being shipped to pulp and paper mills, we estimate that about 250,000 tons of chips will be utilized this year—enough to supply a mill the size of the one at Iroquois Falls. A very few years ago this good material would not have been utilized.

As the economics of the industry improve, we are confident we can accomplish more in this field in promoting new industries in pulp and paper, hardboard and industries of that type.

One of our other great responsibilities, Mr. Speaker, is that of protecting the forests from ravages of insects and of our worst enemy, fires.

This past year has not been a good one insofar as fire damage is concerned but I think it will prove to be not as serious as was first anticipated. Lightning fires, mostly during the months of June and July, were

responsible for 99.2 per cent of the forest fire losses in Ontario this year and represented 34.5 per cent of fires in the province.

The 527 fires which occurred in June and July accounted for 1,170,165 acres of the total 1,184,998 acres burned during the fire season, reaching their peak in northwestern Ontario around the July 1 weekend. However, 80 per cent of the areas burned in northwestern Ontario were north of the area that would be logged in the foreseeable future. It consisted of mature or over-mature trees. In some of the damaged areas natural regeneration is already occurring.

You might say that immediately after the fires were extinguished our foresters were in the area analyzing the damage and planning the salvage of the salvageable damaged forest. Lightning strikes tended to occur in bunches and the fires they cause are most difficult to control. Of the area burned during the season only 3,318 acres were privately owned.

Fires and acreage burned in other months were held to comparatively small losses. For instance in April we had 98 fires burning 1,125 acres. In August we had 253 fires involving 8,300 acres. In September 32 fires involving only 41 acres.

Now it might be of interest to you, sir, in the House, to know some of the fire causes, that is other than lightning. Settlers caused 79 fires damaging 543 acres; campers had 289 fires involving 3,000 acres; the railways 64 fires involving 163 acres; logging operations 19 fires involving 2,516 acres; mining operations only 4 fires. Careless smokers caused 200 fires involving 1,016 acres. Road construction a very small figure of 15 fires and only 14 acres. Incendiary fires were 31 in number and involved 914 acres. Unknown—12 fires involving 914 acres and miscellaneous, which are fires caused chiefly by children playing with matches and fire-crackers, involved 140 fires and 1,503 acres. During the past fire season, and particularly during June and July, the efficiency of our forest fire protection agency was put to the test, and I feel that the organization came out with flying colours. The facility of movement of our forces on a province-wide basis, the well-trained fire crews, the thousands of pieces of equipment, the co-operation of the citizens and the operating companies, all proved their mettle under stress and strain.

Mr. E. W. Sopha (Sudbury): At the time of the fires in the Sioux Lookout area—I ask this question because I have just come back

from a little visit up that way and I was informed that the closest the fires got to Sioux Lookout was 35 miles. I was also informed that The Department of Travel and Publicity was making announcements and publishing advertisements advising tourists not to come near Sioux Lookout.

I wonder, was it the hon. Minister's department that told The Department of Travel and Publicity that such be the case—that there was an immediate and present danger to Sioux Lookout and to the tourist resorts in that area?

Hon. Mr. Spooner: Under the Act I have the authority to close off any part of the province for fire protection purposes and during the year it happens that certain areas are always closed off to travel. This year was no exception and certain areas of northwestern Ontario were closed to travel. I have not heard anything about anyone being advised by The Department of Travel and Publicity as to whether they should travel or not travel, and so I am not in a position to give a very definite answer to the hon. member's question. I do not know anything about it, but it often happens that we do close off areas of the province to travel during the high hazard season.

Mr. Speaker, I turn now to one of the other very important functions of Lands and Forests—our parks for the people programme. This programme is looking forward to future recreational and park needs and in many areas across the province, lakes and other attractive features are being set aside for the development as required. Six new provincial parks were opened this year; 79 now are fully operating; others are not yet ready for top park status.

With public demand for parks growing year by year, the department's policy under this programme will be steady and continued expansion of the provincial park system. New parks operating this year are Bon Echo in the Tweed district; Fitzroy in the Kemptville district; Ojibway at Sioux Lookout; Turkey Point in Lake Erie; Samuel de Champlain in North Bay district and White Lake in White River district.

Every effort is made to develop the park system, to retain their natural features so that picnickers and campers can get back to nature as a relief from the stresses of urban life. For this reason the major reserves provided in all parks with sufficient acreage are proving most popular with visitors and then in some of the larger provincial parks, wilderness areas are being retained. I have had the pleasure of

receiving many letters of commendation from persons who have availed themselves of the park facilities; for instance, one camping family after a vacation in the Pinery which is in the Lake Huron district expressed pleasure and commendation in a letter sent to me.

The Pinery which has 4,340 acres is located on Highway 21, five miles south of Grand Bend. It has a natural oak-pine forest, sand ridges and dunes accumulated over the centuries in an area not previously developed and it also has an excellent beach on Lake Huron.

Of the Pinery the delighted visitors wrote:

Several things contributed to a very enjoyable stay. Firstly we were impressed by the lovely location and well-thought-out layout of the campsites. We enjoyed the peacefulness of the park despite the fact that it contained a very large camping population.

We appreciated the excellent facilities provided. We were most impressed with the helpful and courteous park staff. You and your staff are to be commended on the Pinery, and we are grateful to the province of Ontario for preserving such sites for the general public. We would appreciate it if you could pass on our thanks to the parks superintendent.

We have many other areas set aside, areas that are deemed suitable for future park purposes, and this, Mr. Speaker, will give you some indication of the continuing development projected for the provincial parks system. They extend right across the province and from Kenora district down to Lake Erie and many other parts of Ontario.

In developing the park: after acquiring or choosing the site, a master plan for each provincial park governs development with consideration for its location, its natural features, anticipated use, the anticipated visitation, and major and minor uses. So each park, therefore, is planned and developed individually in view of its optimum use in the interests of public recreation, and in view of the natural environment.

I realize that in southern Ontario we are perhaps facing our most serious need for park facilities but much has been done through government assistance in various ways. We have conducted a survey, for instance, in a radius of 50 miles from Toronto and Hamilton, and we have come up with some rather interesting statistics.

There are almost 8,700 acres of recreational land in this area owned and operated by conservation authorities. The Niagara Parks Commission has 2,800 acres, and Metropolitan Toronto has almost 1,300 acres. I know that

my colleague, the hon. member for Lincoln (Hon. Mr. Daley) who is the chairman of the parks integration board, will report this information to the Legislature in greater detail when he has the opportunity to report on the work of the parks integration board.

Some people who are interested in possible refinements of our present parks send suggestions which we appreciate very much; but some of the suggestions have been that we should install laundromats, showers, electricity and waste drains for trailers, and so forth. Now, I do not want to eliminate the eventual possibility of these services being installed, but our thinking at the present time is to retain some semblance of true camping atmosphere in our parks, and I am inclined to think that the vast majority of park users think along these lines. We must draw the line somewhere and block efforts to create a Coney Island or Luna Park in some of our parks.

Other services incidental to our parks programme include the facilities provided for canoe trips. Many trippers enjoy these facilities in quite a large number of our parks. They have made some suggestions in connection with improving the cleanliness on the canoe routes, the portages particularly, and so this brings to light the problem of providing quality recreation of a wilderness type for large numbers of people, and it may well call for public education and additional staffs for patrol and guidance duties.

The park attendance this year, Mr. Speaker, was a record 6,215,300 people to the 79 parks open to the public and where records are kept. There have been many visitors who have availed themselves of the facilities available in some of the parks that are not completed, where the establishment is not completed, and we have not included these numbers in the figures I have just quoted. The figure of 6¼ million is rather an interesting one in that it represents one-third of the whole population of Canada.

There has been an extraordinary increase in the number of campers—a jump of nearly 50 per cent over last year—which, to me, indicates that the need for more parks and more camp sites will continue to be felt as the popularity of camping spirals to an unpredictable peak. The same applies to canoe trippers in our bigger parks who have increased in number by 62 per cent over last year.

In view of the annually decreasing area of public hunting ground, the parks branch has been co-operating with the fish and wildlife branch of The Department of Lands and

Forests to provide hunting in some provincial parks. This is another instance of the value of the integration of all efforts geared to the use of natural resources in the department. This year waterfowl hunting has been continued in Rondeau, Presqu'île and Darlington Parks, Holiday Beach Park was added this year, and Long Point Park was included in the managed waterfowl stocking in the adjacent marshlands.

Pheasant hunting of stocked birds was introduced at Sibbald's Point, Darlington and Presqu'île parks this year, while deer hunting in Clyde and Bruton townships, now part of Algonquin Provincial Park, was permitted to continue under certain controls, including the limiting of the number, as well as the location of hunt camps. A moose season was declared open in Lake Superior Park. Although figures are not yet available, it is anticipated that the results will be such as to warrant the continuation of this added park activity.

In a number of our parks we must assist nature in re-establishing itself, and as an instance of that I will quote what has been done in the Pinery Park which is a large area on the shores of Lake Huron, long known as the most southerly area of red and white pine in Ontario. In our parks management programme we are planting this area with red and white pine. Examination in preparing the park's development has shown that much of the soil was covered with scrub hardwood and that indiscriminate cutting practices and repeated fires had removed the pine trees, damaged the soil and spoiled the aesthetic beauty of the land.

To remedy this situation our department embarked on an extensive tree planting programme to work the area to its natural state. Red and white pine have been planted in all the open areas and the low quality hardwoods underplanted with white pine. These two species were chosen because they are native to the site and in keeping with the natural beauty of the park. The programme has involved planting 1,065,000 seedlings since 1957.

Our parks for the people programme provides enjoyment and fine recreation for the summer. Then in winter many of our parks provide employment for quite a large number of our people.

We estimate that this coming winter there will be an expenditure investment, I would say, of close to \$1 million in work being done in our provincial parks. This work will provide more camping, parking and recreational space and more trailer sites, as well as road improvements, docks, boat launching

ramps, more wells and sanitary facilities and beach and other necessary work.

Completion of the last link in the Trans-Canada Highway around the north shore of Lake Superior brought a tremendous influx of visitors to the northwestern part of the province. It also gave a great impetus to camping. Camp unit days, for instance, in the Port Arthur district were up 125 per cent and in the Sault Ste. Marie district the increase was 300 per cent.

Winter work in the provincial parks is being concentrated in areas of heaviest use in relation to facilities that were available last summer. Enlargement of facilities is regarded as required particularly from Sault Ste. Marie west through White River, Geraldton to the Lakehead and the extreme northwest. Work commensurate with their heavy use is also required in parks in the Lake Erie, Lake Simcoe and Parry Sound districts in southern Ontario.

In 1946 the then Department of Game and Fisheries was amalgamated or integrated with The Department of Lands and Forests and I would say that the whole operation has been most successful.

I would now like to report on some of the activities of the fish and wildlife branch.

Much interest was always evidenced by our people and certainly yourself, Mr. Speaker and hon. members of the House, in receiving a hunting report.

I should like first to deal with the deer hunting report. The impact of the deep snow winters of 1958-1959 and 1959-1960 on the eastern Ontario deer herd was once more clearly revealed in the preliminary results of in 1960 deer hunt. Where the winters were severe, hunting this year was poor. An unhappy coincidence brought unfavourable hunting weather to most of the hard hit areas, making the hunting even worse.

In the more southerly districts where winter mortality was less severe, fairly good hunting weather prevailed. The combination brought hunters better success than has been experienced for the last few years.

In the area from Sault Ste. Marie to North Bay, the gloomy forecasts of The Department of Lands and Forests officials proved only too true. There was the expected small improvement over the 1960 hunt, because of the mild winter just past, but hunting remained generally poor. Yearlings and two-year-olds were conspicuous by their absence at some of the checking stations near North Bay. These were the age classes most affected by the deep snow. The poor hunting weather south

of Sudbury along the north shore of Lake Huron added to the frustration of hunters.

On Manitoulin Island, where the snow had not been so deep, success at the end of the first week was running about 20 per cent. This is slightly low for Manitoulin, I am advised by my biologist.

There may be another reason and it may be partly due to the fact that dogs were prohibited for the first time this year and also partly due to the warm, dry weather which made hunting difficult. Despite the weather though, some of the local residents who knew the deer runways did very well. I suppose the hunter, like the fisherman, must know his hunting area.

In Lake Huron district, success on the Bruce peninsula dropped this year. This was also due to poor hunting weather. The age distribution of deer taken from this area shows very little distortion, due to the deep snows.

In Parry Sound, the hunter success maintained the upward trend of last year despite the effects of the winters with deep snow. In 1958 the success in Parry Sound was 29.3 per cent. In 1959, following the first severe winter, the success dropped by about 20 per cent. Even though the 1960 hunting season followed a second deep snow winter, success rose slightly to 23.4 per cent. This year hunters were aided by fairly good hunting weather and preliminary figures indicate the hunter success will be about 25 per cent.

The hunting success in the Lindsay district was about equal to that of 1958 and the best since that time. Apparently the good hunting weather compensated for the winter losses sustained in this district and allowed good success.

Tweed and Kemptville districts were little affected by the severe winters. Both showed normal age distributions with 38.9 per cent yearlings and 24.9 per cent two-year-olds in Tweed.

Pembroke district, farther north, is not in so happy a position. It has suffered losses of deer similar to those in North Bay, Sudbury and Sault Ste. Marie districts. Many dead deer were found in the spring surveys of 1959 and 1960.

That these severe winters reduced the available deer can again be shown from the deer ages. Only 24 per cent of the deer shot in Pembroke district in 1961 were yearlings and only 17 per cent were two-year-olds. The same reports are found pretty well throughout the province.

In so far as fishing is concerned, I am not

in a position to pass any remarks about that since we have very little statistical information available because we have no resident angler's licence in this province. So we have few methods of amassing any large amount of statistics. In some cases we do obtain and carry on a qualified census in areas where research projects are undertaken.

One of the other services maintained by Lands and Forests is that of establishing hatcheries and providing hatchery-raised fish to supplement the high standard of fishing. Fish management is certainly one of the largest programmes we conduct in this department with the possible exception, I suppose, of enforcement and biology.

The department now operates 18 fish culture establishments including eight rearing stations for brook, brown, lake and rainbow trout; eight pond stations for black bass and maskinonge; one jar hatchery and two hatcheries for culturing early stages of lake trout. All the pond stations used for culturing warm water fish in summer are also used for carrying cold water fish in winter.

In addition to the department hatcheries, one is being developed by The Department of Commerce and Development, and there are 18 private hatcheries operating under permit from the department to produce trout for sale for restocking privately owned waters.

In southern Ontario there are at least 10,000 privately operated multi-purpose farm ponds whose owners sell fishing rights. They purchase stocks of fish from private sources or have their own facilities for maintaining fish stocks.

The objective of the department is to provide fish of the best possible quality at the lowest possible cost. This objective is maintained throughout the complete cycle of events, from spawn-taking to the time the fish are released from the hatchery to public waters. The use of pellets as a supplement in the diet has meant a considerable saving in the cost of feeding, a substantial item in the rearing of trout. Growth, reproductive function, vigour, etc. are kept under careful surveillance to offset any unfavourable development.

Hatchery operations in Ontario are comparable with the best features of these operations in federal and other provincial or state agencies. Adjusting hatchery water temperatures upwards stimulated the growth of rainbow trout and aurora trout. Self-cleaning ponds, fish planting from aircraft, perfected stocking policies and management are some of the improved methods of fish husbandry in

use to assure the greatest return of hatchery fish to the fisherman's creel.

The hatchery production of whitefish, yellow pike-perch and black bass for restocking had been greatly curtailed on the basis of research information. The operation of whitefish and pike-perch hatcheries, known to have contributed little, if anything, to fish production, was discontinued for biological as well as for economic reasons.

I would also predict an expansion of private enterprise in this field, particularly as legislation authorizing trout produced in privately owned ponds to be sold for human consumption has been provided. Licences for this enterprise are now available from the department.

The Department of Lands and Forests stocks waters free of charge, provided they are open for public fishing. Posted streams and streams of which less than 50 per cent are open to public fishing are not stocked by the department.

In 1954, the American Fisheries Society, one of the most renowned of its kind in this field, adopted a North American fish policy which was endorsed by Ontario. One of the principles set forth in this policy was, and I quote:

Food, game and forage fishes reared at public expense, should be stocked only for public benefit.

"Open to fishing" does not mean that fishermen can trespass over private property without the owner's consent. If a stream is stocked by the department and is subsequently posted, or public fishing prohibited, stocking is discontinued by the department.

Applications for fish for stocking private waters on the basis of purchase of the fish are referred to private hatcheries. If they are unable to provide supplies of fish, the department considers these requests if surplus fish remain after commitments to public waters have been satisfied.

Our present plans are to provide for an inventory and classification of all waters, particularly those currently under management. This, we feel, will greatly facilitate and improve the hatchery planting programme in Ontario. But we must not be content with inventory only, because basic research is most important and should tell us why the fish planted did survive or why they did not survive.

A site has also been purchased at Sault Ste. Marie for an experimental hatchery and fish culture training centre. There, experi-

mental studies on fish nutrition, selective breeding and assessment of planted stocks of fish are among studies to be undertaken. This training will be primarily for our own hatchery staff. It may extend in the future, but at the present time we are concerned with training our staff and those who have given evidence of great interest in this type of work.

One of the further functions of Lands and Forests is assisting the production of fur pelts by local trappers. One of the activities which we have assisted here is the work being promoted under the auspices of the Ontario Trappers Association with respect to the fur sales. This organization, with our support, will again this coming fall and winter hold a number of fur auctions. These will be on December 12, January 19, February 27, April 10 and May 25.

We recently opened another area in northern Ontario to beaver trapping after it had been closed for some time. After a three-year closure, beaver trapping on a quota system has been reopened in the Indian band areas adjacent to Big Trout Lake. In this large area in the centre of Patricia central district there are approximately 275 Indian trappers who depend largely on trapping for their livelihood.

Beaver is not only a source of revenue for those people but it is also very important as food. During the years when the beaver season had been closed, I think it was rather fortunate that a high population of wild mink in that area helped ease the economic situation.

The beaver die-off occurred in this area between 1949 and 1952. A disease known as tularemia was found to be present among the beaver and it decimated the beaver in those areas.

The department then live-trapped beaver from other parts of the province and transplanted them to this part of northern Ontario. About 800 animals were transplanted in three summers.

This year aerial surveys and ground examination where possible have indicated that the increased beaver population warrants reopening the trapping season. It is considered that the restocking would by now have produced a large population of strong, healthy, active beaver which will continue to multiply.

Mr. Speaker, I hope that my remarks are of interest to you and to the House and that I may be privileged later on during this session to present other information on the

activities of The Department of Lands and Forests.

At this time, in conclusion, I would like to pay tribute to the very excellent staff which this department has, these people who give willingly of their knowledge at all times. I would say that they recognize their great responsibilities as the caretakers and managers of the birthright of all our citizens in the natural resources of the kind Providence has bestowed upon us.

Applause.

Mr. A. J. Reaume (Essex North): Mr. Speaker, I want to join with others who have already spoken in extending my very best wishes to the Speaker, whom I think is doing a very excellent job. As a matter of fact, I think he improves with age. Probably that trip that he had overseas this last summer helped him. Being from Essex, I have, as you know, a very real interest in you; in your present and your future; and so I hope along with the other hon. members that you have a very happy year.

Now, I want to say a word also about your family, whom I have known for a long time and have always found to be very fine people. I want to do it every year because it is true. We people from our part of the world are, as you know, very warm-hearted. It is not very often that we have any arguments, only about once every third year, sometimes every fourth year. When we do we generally have a good one.

There have been some changes made on the opposite side of the House and I suppose if I might I should run down them in a hurry. There is the odd one who is not here, of course, as usual.

Mr. R. M. Whicher (Bruce): Where are they all? No Cabinet there at all!

Mr. Reaume: I think, though, that for the most part, the changes which have been made have been made for the better. As a matter of fact, I think it would be an honest statement that it could not be any worse than it was.

There is no question about it that the hon. Prime Minister (Mr. Robarts), I think, has a very hard job. He is going to make an attempt to fill the shoes of a man who has served this province and served it well for a long time. I do not want to make his job any harder than I have to—

I beg pardon? I cannot hear the hon. Prime Minister. Would he mind speaking up? Honestly, I did not hear him.

Hon. J. P. Robarts (Prime Minister): I will write the hon. member a note.

Mr. Reaume: As a matter of fact, I was just about to wish the hon. Prime Minister luck in his new work. I think he is really going to have to have all the good wishes that he can get.

Now, one thing that puzzles me in the change-around in positions of the Cabinet—in the shuffle, I do not know what happened to the hon. member for Wellington-Dufferin (Mr. Root), whether he got what they call an Irish promotion or just got kicked upstairs. He wound up, as I understand it, as the official water boy for the party.

Mr. Speaker, last Wednesday in this House the hon. leader of the Opposition (Mr. Wintermeyer) made what I thought—and I am certain that hon. members will all agree—was one of the finest speeches that has been made in this House for a long time. All of us who are acquainted with him know him as a friendly man, as a man who does not go out of his way for the purpose of trying in any way to injure anybody. Certainly he is the type of a man who is first of all an honest man.

I noticed that throughout the long time of his speech, two hours and a half, that the hon. members of the House—on both sides of the House—gave him a good hearing. I want to thank the Speaker too for having allowed him to go on with his important work.

His speech, I would say, was important because it was evident that he had spent a long time on it. His speech was important because it brought to the attention of the people of this province a very important matter. I think it laid on the doorstep of those in power a problem that they themselves and nobody else can now properly deal with.

There is not any sense in we over here making any more attacks on the chief law enforcement officer of this province. He now, in my opinion, Mr. Speaker, is no longer a man of any importance. He might just as well occupy a position in the back row. He has lost his effectiveness. The matter we must now lay in the lap of the hon. Prime Minister of this province.

The hon. Prime Minister of this province is a comparatively young man and; I think, an able man and a man who wants to do a good job. I say to him that if he wants to do a good job the first thing he should do right now is to institute a Royal probe on the matter of crime in the province.

Years pass by and they go by quickly. This very same party in power now has been in power for some 18 years and I can remember quite well during the term that I was mayor of the city of Windsor it did not take much prompting on anybody's part for the people on the opposite side of the House at that time to institute a probe.

I want to say that I am not sorry, that I think in very many of these cases a probe serves a very good purpose. But I am certain of one thing, that if a probe served a purpose in the instance of a community of which I was at that time the head, then there are a thousand times more reason why there ought to be a probe now.

Hon. members may feel sure that the people of this province are not going to sit still. There is an obligation, and a real one, on the part of the hon. Prime Minister and those who follow him to get up in this House and in a loud voice let themselves be heard.

The hon. leader of the Opposition, I want to say again, had no intention at all of injuring or harming any innocent people. The difference between the speech of the hon. leader of the Opposition and the hon. member for York South (Mr. MacDonald) is as different as night and day. In one case, the speech coming from the man who heads our party was a speech based on facts. He would not have made that speech only that he felt it was a duty on his own part. We have sat in this House for years and have heard time after time the hon. member for York South tear the characters of people apart, not caring who they were, giving no thought at all to the person involved or their family.

But this is a different sort of a man who made this speech last Wednesday. There can be no line of comparison as between the hon. member for York South and the man who leads our party. I want to put that on the record.

As proof of that fact, with all the hollering and all the character assassination in which this man indulged, in the month of June, 1959, he came back with these great, big, five men who sit over here. That goes to show what the people of the province think about them. The N.D.P.—the “no down payment” party!

I want to urge again the importance of instituting a Royal probe and letting the chips fall where they may.

Last summer a group of pink-eyed socialists had what they called a convention in Ottawa, and I happened to be in Ottawa that week—not at the convention. I had no problem getting a hotel room at all, there

was plenty of space; and I heard the hon. member for York South the other day expounding in this House the brand new theories of a new party, the democracy and what it stood for and all the fine people that were there. Some of us have been in this business for a long time and we go back a ways.

It was some 35 years ago that a different group, and yet maybe part of the same group of pink-eyed socialists, at a meeting in the west were going to change the whole country around. I again remember the words of Woodsworth then. We hear them now from the little man from the west with the sports pants, echoing those words again: “I believe in the two party system but one of the old parties must die.”

That was 35 years ago, and as we thumb over the pages now as history goes by year by year, we find that the party that died by their own hands—by their own hands—was the party that was going to make certain that somebody else died.

So this year, assembled in the city of Ottawa, a few of those pink-eyed people from the west who had been kicked out of public office in the west—not by agriculture, not by the farmer, but by the unionist himself in industrial ridings of the west, unemployed as they were—they took it upon themselves to form a New Democratic Party. Well, I just want to explain to hon. members how new it is and how democratic it is. It is a shame that they even call it a party.

It is so new that the principles of it are the same principles of the old C.C.F., and it smells just as bad. They have not changed a thing.

Democratic? Let us get down to that party, the democratic party.

I always thought that Canada—the country where I was born and to which hundreds of thousands of other people have come from other parts of the world—I have always thought and I am certain that they think it is a democratic country. I do not think they are looking to these people to change it very much in the way that they would want it changed.

Let us point out one thing, however. They claim that they have the backing of the trade unions in the country. First of all I want to say, and I will use myself as an example, that I come from a highly organized and industrialized part of the province, from the very same part of the province as two other Liberal members in this House. In the automotive part the Liberal candidate in each

case ran first and the N.D.P. or the C.C.F., or whatever you want to call it, in each case ran third.

I heard the hon. member explain how they extract dues from the union men. There are a few things he did not explain, and I want to explain to the House, Mr. Speaker, that a long time before our hon. friend from York South even knew that there was such a thing as a union in Canada, I was fighting for them and still am. Before I explain this, I want to say also that I am not opposed, Mr. Speaker, to a union affiliating itself with any party, nor will I vote for the enactment of any law that will stop the union from giving its dues to any party. That is its own affair and I shall always fight for the right of union members to do that sort of thing if they wish. But let us analyze for a moment how it is being done.

First of all our friends of the N.D.P. say that they trust the unions, that they are friends of the unions and the unions are friends of theirs. Well, they do not trust them enough to put the contributions on a voluntary basis; that is for sure. The unions—the union men who walk up and down our street and I am sure other streets in the province—do not like the N.D.P. or anybody else sticking their hands in their pockets, and that is exactly what the N.D.P. are doing. They are sticking their hands in other people's pockets, Mr. Speaker, without getting permission of those people.

Take for instance a local of 4,500 people; a quorum in that local is 100. The N.D.P. knows that. It is not very hard to pack a meeting of 100, and so they do it. They pack the meeting, the affiliation is made and they get their hands in the working man's pockets. But now they say: well, if the working man does not want his money to find its way into our pockets, and that is where it is going, then all he has to do is to sign a chit or write us a letter and we will stop that. We will stop putting our hands in his pockets.

The working man does not want to write a letter nor does he want to sign that chit because if he does, everybody in that plant knows that he has signed it. This man is not going to fight with a bunch of big-mouthed people just over a dime or 15 cents; but if these fellows are so democratic—and everybody now is so anxious to use that word, Hitler used it, Mussolini used it—

Mr. K. Bryden (Woodbine): You are using it.

Mr. Reaume: Cuba now has a democratic government; but if they are so democratic then I have a suggestion that I will make: why do you not—you five hon. members with the big mouths—why do you not allow each and every trade union across Canada to hold a secret vote, first of all whether or not they should affiliate with your party, and second whether or not they want to give their money to you? You will not agree, you will not agree.

Interjections by hon. members.

Mr. Reaume: Mr. Speaker, when a union takes a strike vote they take it by secret ballot. Now, in the affiliation of a union with a political party all I am asking is that the union man of this province be given the right to cast his ballot secretly. There has been no secret ballot among the rank and file members of unions and hon. members know it. I am asking them to agree that each and every local union across the province be given the right to vote secretly as to whether or not they want to affiliate with their party and whether or not union men want the N.D.P.'s hands in their pockets. That is all I am asking; you do not agree to that.

Interjection by an hon. member.

Mr. Speaker: I would ask that the speaker be given every attention and we will proceed very well. It does not appear to me that the speaker needs any help with his speech.

Mr. Reaume: I think we can trust the union men and women across the province.

Mr. Bryden: That is why we are not worried about it.

Mr. Reaume: That is what you have said in years past but you get beaten all the time.

Mr. Bryden: We are still not worried. We are quite happy to let the unions themselves determine the way they want to make their decisions.

Mr. Reaume: Mr. Speaker, you know when our hon. leader was making his speech in the House on crime the other day I looked over at the expression on the face of the hon. member for Woodbine, and he looked like one who had just been weaned on a very sour pickle.

Mr. Bryden: That was your eyesight.

Mr. Reaume: For a man who thinks so much of the auto workers that he has a car

made in a foreign land, I think he should quieten down for a little while.

I want to say that insofar as I personally am concerned, and I think I can speak for my party, my party has no thought, nor have we ever had any thought, of extracting funds forcibly from anybody and that goes for criminals as well. I have never read a headline in a paper so bad, and I did not think there was an hon. member in this House who would be so dishonourable as to intimate that anybody in this House, regardless of what party, would take campaign funds from a criminal, or from any source of crime.

Mr. D. C. MacDonald (York South): The hon. member ought to read the records on organized crime.

Mr. Reaume: Has the hon. member read them?

Mr. MacDonald: Sure.

Mr. Reaume: He is right in there then!

Mr. Speaker, I think we need not worry about this type of thing; we need not worry about the policies and principles that they follow. They have taken ethics and put them in the ash can and before we are finished with them they will be right in on top of their own ethics.

We realize, and I want this to be put down clearly in the records, we realize we follow the philosophy that was established some 30-odd years ago in the west. We know that this New Democratic Party whose members do not know what the word "democratic" means, we know how badly they hate us in our party. I want to inform the government of the province that we know the hatred that they have for us is far greater than the hatred they have for the government.

An hon. member: Hear, hear.

Mr. Reaume: Because they know that they must first hurdle us before they can get over there. I want to tell hon. members who is in bed with whom—

Mr. MacDonald: The Tories are in bed with the Liberals.

Mr. Reaume: There are hon. members in this House who have told me to my face, privately and personally, that the hon. leader—if you can call him that, I will call him the hon. member from York South—that in the election of June 1959, this man who calls himself a leader of a party, approached

certain members of the government or the Tory party and put the proposition to them in cold turkey, and here is what it was!

Would the hon. member like me to put a C.C.F. candidate in his riding, in order that we can split the vote and help him? If he wants me to do it, I will do it!

An hon. member: He had no choice.

Mr. Reaume: But to the credit of the Tory members of Parliament of whom I speak, they said they wanted no part of the hon. member's filthy deal.

Mr. Bryden: Where was this supposed to have happened?

Mr. MacDonald: I rise on a point of privilege, Mr. Speaker.

Mr. Speaker: Yes, the hon. member rises on a point of privilege.

Mr. MacDonald: Mr. Speaker, this statement is a complete fabrication for which the hon. member has given no evidence and he can give no evidence.

Mr. Reaume: Mr. Speaker, I have made the statement and I stand back of it. At the appropriate and proper time I will produce the evidence; there is no question about it.

Mr. Bryden: And when will that be?

Mr. Reaume: It is none of the hon. member's business. I will produce it when I want to. I make the decisions.

Interjections by hon. members.

Mr. Speaker: Order.

Mr. MacDonald: It just goes to show how much ethics and how much principle these birds have!

Mr. Reaume: That statement stands; it all goes to show the type of tactics that they employ.

Mr. Bryden: That the hon. member uses!

Mr. MacDonald: The hon. member ought to know, he uses them!

Mr. Reaume: Make no mistake about it, the only way to handle them is the very same way that I intend handling them, and as I have always handled them in my own riding.

Mr. MacDonald: Why does the hon. member not fight the Tories?

Mr. Reaume: Because the only language that they know is to fight fire with fire. Now we do not have to stoop, we do not have to stoop, of course—

Mr. MacDonald: The hon. member is down there now, of course, he does not have to stoop.

Mr. Reaume: —to the ethics and tactics that they employ. They are so hungry for public power that they will do anything and I just want to say—

Mr. MacDonald: The hon. member is too low down.

Mr. Reaume: If the hon. member was any lower his head would be dragging on the street. I was going to say something else, Mr. Speaker, but in any event—

Mr. MacDonald: Well, it is obvious who the hon. member is worried about anyway. We do not hate the hon. member, we just—

Mr. Reaume: Why should we worry about the hon. member? He always runs third.

Mr. Bryden: The hon. member has looked pretty worried for the last while.

Mr. Reaume: We have won every time, have we not?

Mr. Speaker: Order!

Mr. Bryden: Look at Peterborough!

Mr. Reaume: Look at the books!

Mr. Speaker, on the business of contributions to parties, it is a well-known fact that the government in the province of Saskatchewan for a long time past has been taking contributions from oil companies, breweries, mining companies. If that is not so, let Mr. Douglas—and not the office boy—let Mr. Douglas stand up, wherever he wishes and make a statement that what I have said is wrong—

Mr. Bryden: Well, it certainly is wrong. Not one word of truth in it.

Mr. Reaume: It is public knowledge that it is true.

Mr. Bryden: There is not a shred of evidence. It is completely false.

Mr. Reaume: There is nothing lower than a hypocrite.

Mr. Bryden: Another unsupported statement!

Mr. Reaume: I do not want to hear from an office boy and I have mentioned a name in the House.

Mr. Bryden: It is completely false.

Mr. Reaume: It is public knowledge. Oh, Mr. Speaker, my little friends over here—

Mr. Bryden: Why does the hon. member not prove that it is true?

Mr. Reaume: I am just mentioning that fact because it is true. The hon. member knows it is true.

Mr. Bryden: Why does the hon. member not prove it, if it is true?

Mr. Reaume: I just said, if it is not true have him deny it.

Mr. Bryden: Why does the hon. member not challenge someone who is here?

Mr. Reaume: I do not want to hear from the hon. member; I do not want to hear from him, who does? The hon. member does not even know what is going on.

Mr. Speaker: Order.

Mr. Reaume: I have done that, he can answer for himself.

Mr. Speaker, in ending I want to say this, that I have a tremendous amount of faith and confidence in the unions of the province. Although these fellows may be allowed to get away with the business of putting their hands in other people's pockets, there is no question about it that the average rank and file unionist in this province, when he gets behind the curtain, he like many, many hundreds of thousands of other good people will vote as he wishes—

An hon. member: Hear, hear!

Mr. Reaume: He does not want to be told and he will not be told. In my own area the president—and this is by way of informing the hon. member—the president of the North Essex Liberals is vice-president of the Ford local, which is a pretty good union—

Mr. MacDonald: Which by vote has endorsed the New Democratic Party.

Mr. Reaume: Because the hon. member's group packed the hall!

He is not one of them. We will take our chances when the time comes. I am just asking that when the hon. member introduces this bill that has to do with contributions to

political parties, I would ask if he would amend it and legislate that the trade unions of the province be allowed to hold a secret ballot on whether or not they affiliate with the hon. member.

Mr. MacDonald: They are allowed, we know that right now. The hon. member does not know the facts.

Mr. Speaker: Mr. Cowling moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

House in committee of the whole; Mr. K. Brown in the chair.

THE REVISED STATUTES OF ONTARIO

House in committee on Bill No. 1, An Act to confirm the Revised Statutes of Ontario, 1960.

Sections 1 to 5, inclusive, agreed to.

Bill No. 1 reported.

THE FISH INSPECTION ACT

House in committee on Bill No. 12, An Act to amend The Fish Inspection Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 12 reported.

THE REVISED REGULATIONS OF ONTARIO, 1960

House in committee on Bill No. 26, An Act to confirm the Revised Regulations of Ontario, 1960.

Sections 1 to 4, inclusive, agreed to.

Bill No. 26 reported.

Hon. Mr. Robarts moves that the committee of the whole House rise, report certain bills without amendment and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment, and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, that completes the business of the House for today. Tomorrow we will consider the estimates that have already been tabled and continue the Throne Speech debate.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 4.55 o'clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, December 5, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 5, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests, in the east gallery and in the west gallery, students from Flos Township School Area No. 1, Elmvale.

We also welcome today on the floor of the House to the Speaker's right, Mr. Joseph A. Gillis, a member of the Michigan State Legislature.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petitions have been received:

Of the corporation of the united counties of Medora and Wood praying that an Act may pass authorizing the division of the township into three wards and the election of the council by wards.

Of the corporation of the city of Hamilton praying that an Act may pass relating to assessment of cost of private drain connections and to permit licensing and regulation of use of untravelled portions of the highways.

Mr. Speaker: Presenting reports by committees.

Motions.

Hon. J. P. Robarts moves that when this House adjourns the present sitting thereof, that it do stand adjourned until 3:00 o'clock on Thursday afternoon.

Motion agreed to.

Hon. Mr. Robarts moves that the time for depositing private bills with the Clerk free of penalty be extended to Tuesday, January 16, 1962; and that the time for presenting petitions to the House be extended to the end of the first week after the resumption of the present session in 1962; and the time for introducing private bills be extended to the end of the second week after such resumption.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE HOURS OF WORK AND VACATIONS ACT

Mr. R. Gisborn (Wentworth East) moves first reading of bill intituled An Act to amend The Hours of Work and Vacations with Pay Act.

Motion agreed to; first reading of the bill.

Mr. Speaker: Bills.

Hon. A. K. Roberts (Attorney-General): **Mr. Speaker**, before the orders of the day, I beg leave to present a report made to me as Attorney-General by Eric Hamilton Silk, Assistant Deputy Attorney-General, of certain studies of the jurisdiction of county and district courts and related matters.

I would say in tabling this it is a report of a study of the jurisdiction of the county and district court which he commenced early this year. While the report is based principally on the results of more than 50 meetings held throughout Ontario with lawyers, judges and court officials, as well as members of Parliament, the Senate and the Legislature and representatives of labour and of trade and industry; the recommendations made are fortified by studies made of court conditions elsewhere in Canada, as well as in England and several states of the union, and by Mr. Silk's long experience with our courts both as counsel appearing in them and in his administrative roles.

The report, comprising some 144 pages, contains recommendations calculated to reduce legal costs and render the civil courts more accessible to those having occasion to use them.

While the primary recommendations urge (1) an increase in monetary jurisdiction of the county and district courts; (2) greater powers in the county judges in their capacity of local judges of the Supreme Court; and (3) a vesting in them—that is, county and district judges—of divorce authority, which latter of course can only be affected by Dominion legislation, certain of the other proposals are regarded as more basic.

Mr. Silk recommends the establishment of the office of chief judge of the county and district court. This he considers as essential to the successful vesting in our secondary courts of the proposed increased powers. The principal purpose of the proposal is to ensure a movement of the judges among the counties as circumstances may require and would result in a more efficient use of available judicial services.

Recognition of the present status of our juvenile and family courts by instituting a plan of providing them with their own bench comprising legally trained, provincially appointed judges is also recommended. Presently these courts are presided over principally by judges and magistrates whose main responsibilities are in other courts.

In somewhat the same connection, relief of the county judges, particularly in the larger centres, of their division court responsibilities is also recommended.

The plan would develop a system of provincially appointed division court judges. It is not unlikely that should the plan be adopted, the division court and juvenile and family court responsibilities would be combined in a single appointee in some areas.

The report urges that members of the county court bench be relieved of administrative and other responsibilities which tend to challenge the time available for the judicial functions. Establishment of a panel of impartial arbitrators with legislative recognition in order to ensure high calibre personnel is regarded as being indicated by existing arbitration practices which demand a substantial amount of the time of some of our judges.

The report proposes schools for court officials at various levels in line with the system presently being instituted following the report of a committee under the chairmanship of Mr. Silk that completed a study of the Ontario coroners' system a year ago.

A streamlining of the appeal process in the magistrates' courts; provision in the mechanics' lien proceedings for disclosure of the position of the respective parties before trial; and a review of the responsibilities of the county and district judge where he is appointed as a *persona designata*, are among the recommendations made.

Recommendations for a thoroughgoing review of the cost structure in all the courts and for the court sittings in a place other than the county town where circumstances warrant it, are features of the report that indicate the thoroughness of the study and the directness of approach of the reports.

A review of some aspects of our division courts where small claims are handled brings forth a strong recommendation for a resurvey of all post-judgment processes by a committee of experts with a view to avoiding abuses, reducing costs and rendering the collection process more efficient. Court room accommodation of many of these courts is a matter which appears to warrant attention.

Touching on certain features of the magistrates' courts, the desirability of having Crown attorneys extend their activities beyond criminal hearings is urged in a review of the present practice of having police officers act as prosecutors.

It is urged that magistrates, Crown attorneys and police alike should regard traffic offences in the light of their real importance. This is in line with the established policy of the department in its effort to reduce the accident toll on our highways.

The problem of bringing cases to trial promptly in the Toronto area in both Supreme and county courts is dealt with separately because of the heavy backlog that persistently maintains here. Special procedures are suggested, although a sparsity of court rooms and other physical facilities at the moment seem to be principal contributing factors.

In conclusion, Mr. Silk reminds of the progress that has been made in the simplification of court procedures over the years and commends continued study and constant improvement towards rendering our courts of justice ever more available to the public. The report concludes, and I quote:

When one considers that for the average layman the first fear that stands in the way of seeking justice in the courts is the cost of litigation, it is manifest that each improvement in the process of simplifying procedure renders access to our courts of justice a little less forbidding.

I am following the course of tabling the report in the Legislature in order to provide the fullest opportunity for all concerned to study the recommendations made.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, before the orders of the day, I should like to address a question to the hon. Attorney-General (Mr. Roberts):

(1) Professor Paul Fox, appearing last night on the programme "Viewpoint", stated that the hon. Minister of Justice for Canada (Mr. Fulton) had sent to the provincial hon. Attorney-General a draft of the proposed method of amending The British North America Act by the Parliament of Canada. He said

that substantial agreement had been reached with the provinces on the method of amending. Has the hon. Attorney-General received such a draft?

(2) If so, does he propose to make it public?

(3) Is it the government's intention to ask for representations from interested persons or bodies as to the method of amendment of The British North America Act?

Hon. Mr. Roberts: Mr. Speaker, in answer to the questions, I would say that I did receive yesterday a copy of the draft bill from the hon. Mr. Fulton, a draft bill intituled An Act to Provide for the Amendment in Canada of the Constitution of Canada.

This bill purports to be drawn as a result of substantial agreement in principle by all the participating parties at the various conferences; including the last one, when this was settled in principle. When I say "settled in principle" I do not mean settled by governing bodies in principle; I mean settled by the people who were assembled there to take something to their respective governments for consideration of the governments concerned. That is the position it is in at the moment.

Copies will undoubtedly be made available; there is no reason that I can see why we should not have copies for any hon. member interested to study it in advance. In due course I would anticipate that some approach will be made through the Legislature to discuss the bill and to deal with it in whatever way the government may recommend.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I have a question which I would like to address to the hon. Minister of Labour (Mr. Warrender), a copy of which I have submitted to him.

A constituent of mine who operates a garage informs me that one of his mechanics, who had worked for five years under the supervision of a licensed mechanic and whom he describes as one of his most competent men, failed his examination when he sought to get his auto mechanic's papers because of difficulties with the English language. The man in question is a new Canadian of Italian background. The employer who has interceded with me on behalf of his own workman states that this mechanic had been informed that he will not be able to try the examination again for another two years.

Will the hon. Minister state whether the regulations of his department do bar a man for two years from trying again his auto mechanic's papers when language difficulties are the problem? Is a knowledge of the

English language essential to this trade? Or could the examination be taken again with the help of an interpreter?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, I should like to thank the hon. member for York South (Mr. MacDonald) for his question, because here is something where I think help should certainly be given.

I say in answer to the first part of his question: is there a bar? There is no bar. Actually the regulation is there to attempt to find out not whether the man can speak English but whether he has the necessary background of experience and ability and competence in order to carry on as a mechanic. So I can give the hon. member the assurance that—and he has already been kind enough to give me the name of the person in question—it will be followed up and every opportunity will be given to him immediately to try the examination again.

Mr. MacDonald: Mr. Speaker, by way of a very brief comment if I may, I think the hon. Minister should make certain that this kind of information is not given out by officials of the department—that a man is so barred when the regulations do not bar it.

Hon. Mr. Warrender: Mr. Speaker, I do not know how this happened because after receiving the question from the hon. member for York South, I discussed it with the previous hon. Minister of Labour, the hon. member for Lincoln (Mr. Daley). He tells me this has been his custom in the past, where there is some kind of language barrier or impediment, he did not hesitate to say we will use an interpreter, or some other means, in order to assist this gentleman—the applicant. That can be done in this case.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Minister of Reform Institutions (Mr. Haskett), a copy of which I have already provided to you and to him, and which reads as follows:

With regard to a report appearing in the press on November 22, 1961, to the effect that the executive of the Metropolitan Toronto Council had agreed unanimously to arrange a meeting with the hon. Minister of Reform Institutions, to clarify the responsibility for setting salary scales for employees of Metropolitan Toronto or Don Jail: (1) has such a meeting been held as yet; (2) if so, when may an announcement of its results be expected; (3) if not, when will it be held?

Hon. I. Haskett (Minister of Reform Institutions): Mr. Speaker, for the courtesy of the hon. member for Woodbine (Mr. Bryden) in giving me notice of this question, I express my thanks.

The question has three parts: (1) Has such a meeting been held as yet; (2) if so, when can the announcement of the results be expected; (3) if not, when will the meeting be held?

Has the meeting been held as yet? The answer is "no".

Part two, if so, when can an announcement be expected? The first part of the answer is in the negative, so part two washes out.

Part three, if not, when will such a meeting be held? I would answer "as soon as possible."

Mr. Bryden: May I ask as a supplementary question, Mr. Speaker, if representatives of the Metropolitan Toronto executive have been in touch with the hon. Minister about this matter? I take it from the nod of the hon. Minister that they have.

Hon. Mr. Haskett: Mr. Speaker, the answer to the third part was quite conclusive. I said "as soon as possible," which presupposes that an approach has been made.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, before the orders of the day, I have a question directed to the hon. Prime Minister (Mr. Robarts), notice of which has been given.

I have had inquiries from teachers and teacher candidates in the Windsor area as to the new Windsor Teachers College now in the construction stage. Because of delays brought about by the strike in the construction industry—and that strike, by the way has been settled—there is some apprehension that certain categories of potential teachers may be required to go outside of the Windsor area to obtain their teacher's certification. Would the hon. Prime Minister please answer the following questions:

Will grade 13 students possessing the necessary qualifications be accommodated? All of these refer to the Windsor Teachers College.

Will grade 12 students possessing the necessary qualifications be allowed to enroll in the two-year course?

Will grade 12 students who have taken two summer courses and by June, 1962, will have had two years of successful teaching experience be allowed to complete their teacher training at this college?

And the last question: is there any provision being made to accommodate the above teachers if the construction is not completed in time for September 1962?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, the first question is: will grade 13 students possessing the necessary qualifications be accommodated? The answer is when the Windsor Teachers College opens grade 13 students possessing the necessary qualifications will be admitted.

Question two: will grade 12 students possessing the necessary qualifications be allowed to enroll in the two-year course? When the Windsor Teachers College opens, grade 12 students possessing the necessary qualifications will be admitted to the two-year course. Should the enrolment in this course have to be limited, a selection will be made on the basis of the academic record of the applicants in grades 11 and 12.

Question three: will grade 12 students who have taken two summer courses and by June, 1962, will have two years of successful teaching experience be allowed to complete their teacher training at this college? The answer is that the students who have completed pre-teachers college summer courses first and second year, and have subsequently taught successfully for two years on temporary certificates, will be admitted to the completing year of the in-service course.

Question four: is any provision being made to accommodate the above teachers if the construction is not completed in time for September, 1962? It had been hoped that the building for the new Windsor Teachers College would be ready for occupancy on September 1, 1962. Owing to the strike, it now appears unlikely that this will be the case. Two alternatives are possible if the building is in fact not ready for use in September, 1962.

First, the London Teachers College would continue to operate on two shifts for the college year 1962-1963 and continue to accommodate the students from the Windsor area. Second, suitable accommodations for the college might be obtained in Windsor on a rental basis until the new building is ready for occupancy. Tentative inquiries have been made of the Windsor Board of Education of the possibility of temporary quarters for the college being made available.

I could add to this that we had really planned that this teachers college would be open in September and we will make any adjustments that we possibly can, but there are real difficulties in the way.

When we were building the teachers college in Port Arthur we did make arrangements with the Fort William Board of Education to rent certain space from them and in that space we were able to conduct our classes prior to the opening of the teachers college there. But it is not always possible to obtain accommodation that is suitable for classroom purposes, because it is specialized accommodation and in our school system across the province there is very little spare accommodation these days.

The other point is, of course, that the London Teachers College is horribly overcrowded and this college in Windsor was built to relieve that condition. We are anxious to get the London Teachers College back on a normal routine as quickly as possible, so I can assure the hon. member that we will do everything in our power to have some type of teachers college operating in Windsor in September of 1962.

Mr. L. Troy (Nipissing): Mr. Speaker, may I ask a supplementary question? Did I not understand the hon. Minister of Education (Mr. Robarts) to say some time ago that in 1962 the two-year course would be cancelled?

Hon. Mr. Robarts: Mr. Speaker, no, I did not. What I did say was that we were eliminating the pre-teachers summer course for grade 12 students. In other words we had the completing year this past summer and we did not take in any first-year people. That is what we ruled out. I did say our ultimate objective would be to end up with grade 13 entrance to teachers college, but this may be some distance in the future. I did not say that we would eliminate those courses in 1962 or 1963.

Mr. Speaker: Orders of the day.

Hon. J. P. Robarts moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

House in committee, Mr. K. Brown in the chair.

ESTIMATES, OFFICE OF THE LIEUTENANT-GOVERNOR

Vote 1101 agreed to.

ESTIMATES, DEPARTMENT OF THE PRIME MINISTER

Vote 1401 agreed to.

On vote 1402.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, might I ask a question before you go into that vote? Was the report of the hon. Prime Minister (Mr. Robarts) for the year 1960 circulated to the hon. members? I do not recall having received one. I did receive one for the year 1959.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I am afraid I cannot answer that question. May I take that as notice and I will find the answer.

Mr. R. C. Edwards: Mr. Chairman, the matter is this. I think it does have a bearing on the estimates and I would think that it might be desirable for the hon. members to have a report for the previous year before being asked to vote on the estimates of the current year. I would think it does have a bearing on these estimates. It may be that I just did not receive one. I do not recall having received a copy for the past year.

Hon. Mr. Robarts: I am not aware of it. Perhaps the hon. member is referring to the public accounts.

Mr. R. C. Edwards: No, I am referring to this very lovely document as published by the hon. Prime Minister for the year 1959. I have a copy of it here. I would be glad to send it over to the hon. Prime Minister to acquaint him with it if he would like to see it. I have the hon. Prime Minister's report as the hon. Minister of Education; I am in error.

Hon. Mr. Robarts: Well, I can assure the hon. member that I will have that report out and available to him before the estimates of The Department of Education come into the House.

Vote 1402 agreed to.

ESTIMATES, OFFICE OF THE PROVINCIAL AUDITOR

Vote 1501 agreed to.

Hon. J. N. Allan (Provincial Treasurer): Mr. Chairman, I would like to once again pay a tribute to the work of the provincial auditor. It is wonderfully satisfactory to have the confidence that we have in our provincial auditor. I know that he again has performed his duties in a satisfactory and thorough manner and it does give us confidence in the operation of government.

I may say that in day-to-day operations the provincial auditor carries on a continuous

examination of all expenditures from consolidated revenue funds and in doing so countersigns all cheques and certifies there are funds available and legislative authority for each such payment. In addition, Mr. Chairman, his staff is continually making audits of revenue accounts and records of the consolidated revenue fund.

Further to his duties in connection with the audit of the government's transactions, the provincial auditor conducts audits of such boards and commissions and Crown instrumentalities as may be required by governing statutes and directives.

The estimates of the audit office have been increased by \$50,000. May I say that in my opinion if the auditor needs more money to ensure that government spending is checked as efficiently and thoroughly as possible, I believe this House would wish me to assure the auditor that whatever money he needs for staff and expenses he can have. In other words, I think the House would wish me to assure the auditor that he can write his own ticket to make sure that he is able to do this immense job properly. If the \$520,000 set aside in the estimates for the coming year is not enough, then I am sure we will see that more is made available.

Mr. J. J. Wintermeyer (Leader of the Opposition): With the comments of the hon. Provincial Treasurer (Mr. Allan) I can agree. In particular I can agree in the observation that he made about the conscientious and able way in which the provincial auditor has exercised his responsibilities. With that we all agree, Mr. Chairman.

I would ask the hon. Provincial Treasurer whether or not in the course of the past year the provincial auditor has added to the number of boards and commissions that he audits.

Hon. Mr. Allan: Mr. Chairman, I may say that he has. He now audits the books of the Niagara Parks Commission, which he had not done until this year, and the books of the Ontario Water Resources Commission.

Mr. Wintermeyer: Is there any expectation or intention to include Hydro in this particular audit?

Hon. Mr. Allan: I think not. I think the hon. leader of the Opposition (Mr. Wintermeyer) understands that it has always been considered that Hydro would have their own auditors?

Mr. A. J. Reaume (Essex North): Why is that? Why is that?

Hon. Mr. Allan: I am sure the hon. member realizes that the Hydro is a creation of the municipalities.

Mr. Reaume: I do not recognize it at all, let us not fool with it. Hydro after all is owned and operated by the province, regardless of any way the hon. Minister wants to switch it. I am just wondering why not, why is it not good practice? If the province is going to guarantee all the bonds of Hydro, and apparently is the foster father of Hydro, why then would it not be good sense if we had one auditor who audited the books of the government, every branch of the government, and also Hydro? Why are they split up?

Hon. R. W. Macaulay (Minister of Energy Resources): I would say to the hon. member that we have covered this point in the House and in the energy committee on several occasions and to repeat the answers that have been given before, the Ontario Hydro-Electric Power Commission is a municipal co-operative system owned by the municipalities. The Power Commission Act provides that the officers shall be appointed by order-in-council and the auditors are the Clarkson company.

It is a very special kind of audit, almost as large as the audit carried out by the auditor himself of the province. The increased cost of this, quite apart from the need for it, would be immense. There are something like 25 full-time auditors on the staff of the Hydro at the moment doing this audit.

This is an audit which, if the audit were to be carried out by the auditor of the province of Ontario, would require an entirely basic change, or an entirely different change, in the concept of the ownership of Ontario Hydro. Until that is an acceptable proposition throughout the province and to this Legislature, it is not possible to have the Ontario provincial auditor do the audit.

Mr. Reaume: Mr. Chairman, I understand that in other parts of the province, or rather in other provinces, that other governments have one auditor who audits all the books of all the boards and the commissions in the province. Now, why is it that they do it that way in other provinces?

Hon. Mr. Macaulay: Could I ask the hon. member if he would name the commission and the province?

Mr. Reaume: I am asking the hon. Minister.

Hon. Mr. Macaulay: The hon. member has made a statement which is not accurate. Where there are other provinces that have

boards that are true boards of the Legislature which has established them, then the provincial auditor is the auditor that does the accounts. Where the board, however, or commission, is one which has been established by the municipality there is no such analogy as that the hon. member has drawn, that I know of. But if the hon. member would like to point out to me the specific commission which stands in the same relationship to the Legislature that Hydro stands to this Legislature, I would be very interested in looking at it.

Mr. Reaume: I could name them for the hon. Minister.

Hon. Mr. Macaulay: Well, let him name them right now.

Mr. Reaume: I will give them all to the hon. Minister, there are all kinds of them.

Hon. Mr. Macaulay: There is not one.

Mr. Reaume: Oh, yes, there is.

Hon. Mr. Macaulay: Well, if there are so many let us hear one right now.

Mr. Reaume: I will give them to the hon. Minister, I will give them all to him.

Hon. Mr. Macaulay: All right!

Mr. Reaume: As a matter of fact, there has been for some reason here in the House, an effort on the part of the people in power to keep the Hydro hidden away in a little corner all by itself. I think it is time we brought Hydro right out in the open. There can be no reason in the world why we could not appoint one auditor who could be the overseer or the auditor for all the boards and commissions of the province. There can be no reason for it at all.

Hon. Mr. Macaulay: Mr. Chairman, the insinuation that the hon. member has made in relation to Ontario Hydro and the commissions connected with it, is not, I think, of the very highest order. But more than that, perhaps the time to deal with the question of who does the audit of the Ontario Hydro will be when I present the estimates of The Department of Energy Resources, and Hydro is officially—

Mr. Reaume: I am making the observation now and I think I am quite in order. All I ask is that there ought to be one auditor for all the boards and the commissions of the province.

An hon. member: It will take more than one to handle all that debt.

An hon. member: I should say so.

Mr. F. R. Oliver (Grey South): I wanted to ask the hon. Provincial Treasurer (Mr. Allan), he has intimated to the House that the auditor now does the books of the Niagara Parks Commission and the Ontario Water Resources Commission. I wanted to ask him in how many instances in the financial affairs of these boards and commissions does the auditor not yet do an audit? I mean, how many boards and commissions are not yet audited by the auditor of public accounts?

Hon. Mr. Allan: The Teachers' Superannuation Commission is not audited by the auditor of the province, nor is the Soldiers' Aid Commission, the workmen's compensation board or the Ontario Research Foundation.

Mr. Wintermeyer: What about the hospital commission?

Hon. Mr. Allan: The hospital commission is audited by the provincial auditor.

Mr. R. C. Edwards: Provincial funds do go into the research foundation, do they not?

Hon. Mr. Allan: Yes.

Mr. R. C. Edwards: Then what assurance does the Legislature have that these moneys are being expended properly?

Hon. Mr. Macaulay: This is a matter which I would say to the hon. member is also under the estimates of The Department of Commerce and Development. He will see the items there and I will show him how it is accounted for and how the money is paid in, and so forth.

Mr. R. C. Edwards: Then will we have the opportunity, Mr. Chairman, under these estimates, to suggest that this matter be placed under the provincial auditor? Is then the time to make that suggestion?

It would seem to me that now is when we should go into this matter. All that I have asked the hon. Minister is, what assurances do we have that this money is being accounted for properly? Now, assuming that we wish to bring this up again, will it be in order?

Hon. Mr. Macaulay: Yes, that will be in order. As a matter of fact, from my point of

view when we are reorganizing this department, as well as the Ontario Research Foundation, it may very well be that the recommendation that the hon. member has made is worth while. I would certainly like to look into it.

Mr. Reaume: Mr. Chairman, I want to ask this. Does the auditor audit every board and commission other than Hydro? We seem to have a hard time getting this out of the hon. Minister.

Hon. Mr. Allan: Mr. Chairman, I have just given a list of those boards and commissions that are not audited by the provincial auditor.

Mr. Reaume: And all the others are?

Hon. Mr. Allan: Yes.

Mr. Reaume: Including the liquor board? All that is audited?

Hon. Mr. Allan: Yes.

Mr. Reaume: By our auditors?

Hon. Mr. Allan: Yes.

Hon. Mr. Macaulay: Could I just say to the hon. member for Wentworth (Mr. R. C. Edwards) who asked about the Ontario Research Foundation, the budget of the Ontario Research Foundation is several millions of dollars of which there is a contribution by the provincial government, but the budget is basically contributed by private industry, so this is something that obviously has to be worked out.

The Ontario Research Foundation reports to this Legislature to the extent that moneys are given to it for certain types of research and it acts in place of the council which was washed out two, three or four years ago. Therefore, it now distributes as an agent for the government certain scholarship funds. But this is only, I would think, about 25 per cent of the money which is handled by the research foundation, which is really a being of private industry itself. So whether we are in a position to audit the books or whether the audit should be carried out initially by the research foundation and then checked by our auditor, this might be another ramification of it.

Mr. R. C. Edwards: Mr. Chairman, are those fees, in that they pay services rendered, rather than a donation?

Hon. Mr. Macaulay: This is correct. The fees are calculated in such a way as to recover from industry about 75 or 70 per cent of the

total costs of the foundation. So the hon. member can say they are recovered for services rendered, or any way he wants, it is industry which puts up 75 per cent of the amount to run the foundation.

ESTIMATES, DEPARTMENT OF TRAVEL AND PUBLICITY

On vote 2101.

Mr. Reaume: I thought we were only going to deal with the unimportant departments and here we have the big departments coming on, the heavy guns.

Hon. B. L. Cathcart (Minister of Travel and Publicity): In the first place, may I take a moment to express my appreciation to the hon. Prime Minister (Mr. Robarts) for making it possible for me to present the estimates of The Department of Travel and Publicity at this time.

An hon. member: The hon. Minister is lucky.

Hon. Mr. Cathcart: There are a number of reasons for this, but in particular I think there are two that I would like to mention.

First, by giving early consideration this government is recognizing the tremendous importance of the travel industry to the welfare of all of our people and certainly to the total economy of the communities and the province of Ontario.

Second, the approval of these estimates will be a firm assurance to those fine people, and the many associations who support and contribute so much to the travel industry as a whole, of the continuance of the facilities of this department to an ever greater extent than in the past.

Therefore, you will understand, Mr. Chairman, why it is a very real pleasure, as the Minister responsible, to place before this House for consideration the estimates for The Department of Travel and Publicity. However before doing this, I would like to follow the usual custom of giving an outline once again of our responsibilities and objectives and some idea of how we fulfilled those obligations during 1961 as well as some of our plans for the coming fiscal year.

Briefly stated it is the responsibility of our department to publicize, abroad and at home, the tourist industry and the resources, attractions and advantages of Ontario; to provide information to our visitors; to ensure that a good standard of accommodation is maintained and to encourage the development of

attractions that will enhance our reputation as the top vacation province in Canada; to commemorate persons, places, events, and structures of historical significance while encouraging municipalities and organizations to preserve those artifacts related to our early history: to collect and preserve government records and other documents of historical significance; and to censor films shown in public theatres and to license such theatres in the interest of public safety.

These responsibilities are interesting and challenging but I can safely say that we, and all those organizations and individuals associated with us in the tourist industry, can take satisfaction in knowing that our efforts together have been largely successful. To illustrate what I mean I would mention that in the past we have enjoyed in this province, and we have bragged about it, about 60 per cent of the total volume of foreign vacationists coming into Canada. This year, up to the end of September, that is for the first nine months, we have received 75.15 per cent of all tourists, regardless of their length of stay, and 70.5 per cent of those remaining over 24 hours. This, of course, refers to the total influx of people into Canada. Ontario enjoyed percentages to that extent this year. This is a significant increase and is a strong indication that we are moving in the right direction and are enhancing Ontario's reputation as a mecca for tourists.

Mr. Chairman, I have referred to those who are associated with us. I did so advisedly for we realize that the success of our efforts depends to a large extent upon the co-operation which we have always received, from our hon. Prime Minister, the hon. Ministers of other departments and their dedicated staffs and every member of this House as well as from the press, radio and TV and those tourist associations, chambers of commerce, boards of trade, other associations and individuals which by their dedicated efforts have helped to make the travel business the success it is today.

The travel industry is more competitive today than ever before in history. It is now the largest single earner of foreign currency for the United Kingdom and many of the European countries and they are expending ever greater amounts of money and effort to increase this market. The United States of America has become sufficiently concerned at the imbalance of the travel dollar that this year they established a U.S. Travel Service operating out of Washington with an initial budget of \$2.5 million and for 1962 a budget of \$4.7 million. Mexico and the countries of

South America are enlarging their programmes and actively seeking tourists in the same market upon which we depend.

In order to retain our favourable position we must remain alert to changing conditions in travel patterns; to what our competition is doing and be constantly progressive in our own operations.

During 1961 we revised and revitalized many of our publications related to the travel industry and the economy generally and produced in excess of some five million pieces of material in both colour and black and white.

Our advertising campaign which is carried out in the United States and Canada uses paid space in magazines, newspapers and radio. This campaign commences in February and in various forms covers most of the months of the year.

Everything indicates that this programme has been meeting with success. Our mail inquiries up until the end of November were 261,558 as compared to 249,217 for the same period in 1960; in other words an increase of some 12,000.

In addition to buying advertising space and producing attractive publications we use every means to have responsible publications do feature articles on Ontario by bringing writers into the province and providing both writers and editors with pictures and material.

We also take part in sportsman and travel shows in the United States and also in our own province of Ontario. Where we do not exhibit ourselves, we sometimes provide staff for others so that the story of Ontario can still be presented to the public. In other words where private exhibits are on display, or at least association exhibits over in the U.S., we have often supplied extra personnel from our department to assist them. In 1961 we took part in shows in Chicago, Kansas City, New York, Cincinnati, Toronto, Port Huron, Minneapolis, North Bay, Fort William and New Jersey and provided staff at the Halle Brothers Travel Show in Cleveland and the sportsman show at Milwaukee. In 1962 we will be continuing our show programme in those centres from which we draw our greatest number of tourists.

During the summer months we provide personnel at the New York and Chicago offices of the Canadian Government Travel Bureau to give out specific information on the attractions of this province.

I mentioned to the House during the presentation of these estimates last year that

1961 would see the opening of a new reception centre to be known as the Lakeland Tourist Reception Centre and that this would bring our total number to 16. The Lakeland centre was opened as promised and proved its value during this past summer when almost 32,000 registrations were reported.

During the last session I forecast that the opening of the last section of the Trans-Canada Highway along the north shore of Lake Superior, and of Upper Canada Village near Morrisburg, would result in an increased number of tourists in these sections and this has certainly been the case.

The Dominion Bureau of Statistics has provided us with figures for the 12-month period from October, 1960, to September, 1961, as compared with the same period from October, 1959, to September, 1960. These show that entries of U.S. cars at Pigeon River advanced nearly 20,000, or about 40 per cent, and entries at Sault Ste. Marie at the other end of the north shore Lake Superior route advanced more than 26,000, or approximately 21 per cent.

Just as significant are the figures showing what happened to Canadian cars which, prior to the opening of this highway, travelled the south shore of Lake Superior and re-entered Ontario either at Sault Ste. Marie or Pigeon River. Re-entries of Canadian cars at Pigeon River declined over 5,000, or 11 per cent, for this period, while re-entries at Sault Ste. Marie declined about 10,000 or 8 per cent. It is obvious that Canadians are making extensive use of this highway and our internal economy benefits to that extent.

The new international bridges at Prescott and Rainy River, both of which replaced ferries, have also had an effect on the number of cars entering from the United States. The entries at Prescott, based on the same 12-month period of October to September as used previously, have shown an increase of 21,000 or nearly 70 per cent. Also, during the 12-month period following the opening of the bridge at Rainy River the number of entries increased by over 6,000 or 81 per cent.

Hon. members may wonder when I mention the north shore Lake Superior route, Upper Canada Village and the international bridges, what we have done or will be doing in respect to these. During the establishment of the pioneer village we provided the services of our museums' advisor to the Ontario-St. Lawrence Development Commission and worked closely with that body in the preparation of publicity concerning its opening. In addition, our publications carried reference to Upper Canada Village and the north shore

Lake Superior route. Also, with respect to the latter, we prepared a special booklet as a guide to visitors travelling it for the first time.

This summer we produced two 16mm. colour films with sound, one of which was on the northwestern section of Ontario covering a region from Dryden to the Manitoba border and south to the international border, and the other one covering the Lakehead and Lake Superior area. These films will be available for distribution early in 1962 and copies will be placed with the National Film Board for distribution throughout the United States. In 1962 we plan to produce two films on eastern Ontario, one of which will cover the St. Lawrence valley and, the other, the Ottawa valley.

I might just mention that last Sunday some of our people, Mr. Chairman, might have seen "Waterway Holiday," which is a production of ours through the Fletcher Film people. It is on the Trent-Severn and was shown over CFTO-TV last Sunday between 11 o'clock and 12 o'clock. That was one of our films.

During this past year, we worked closely with 20th Century Fox for the production of a 35mm. film in technicolor and cinemascope on fishing in Ontario which will be shown in theatres throughout the world.

Mr. Chairman, I have given you some idea of what we do to promote Ontario and to provide information and services to our visitors. We have an equal responsibility to ensure that the accommodation provided to our guests is of a high standard and to encourage the development of attractions which will serve as a magnet to lure and hold tourists for even longer periods.

The department is responsible for the inspection and licensing of all tourist accommodation within the province, with the exception of those hotels which are under the authority of the liquor licence board. This involves in excess of 7,000 tourist establishments providing approximately 75,000 rooms or rental units and is combined with the extremely valuable service provided by our trained inspectors who act in an advisory capacity to tourist operators on all phases of construction and operation.

That this is far from being a static industry is indicated by the fact that up to November 15 this year 217 new tourist establishments providing 1,890 units of accommodation were constructed and additions were made to 323 existing establishments which added 1,101 new units.

Renovation to existing accommodation is always going on and each year more operators are upgrading their establishments by pro-

viding better facilities than were previously available to their guests.

Another very important function of this part of our operation is the conducting of community surveys to determine the value of the industry to any particular municipality and also the needs and requirements of the tourists. This year, five such surveys were conducted in Fort Frances, Geraldton, Blind River, Parry Sound and Westport. While the results of these are not as yet available I have no doubt that the figures will be as impressive as those which I gave in my last estimate speech and which concerned the town of Kenora.

It is planned to continue this programme in 1962 and to make these surveys available to those communities which request them and are prepared to actively co-operate in ensuring maximum value and accuracy in the statistics gathered. I am happy to say that the fullest co-operation has been forthcoming whenever we have carried out one of those surveys.

We have continued our programme of commemorating sites, structures, events, and individuals of historical significance by means of official plaques. Some 100 different subjects were investigated in detail through extensive research in libraries, archives, registry offices, and private collections, as well as through interviews with local historians. Final inscriptions for about half of these were approved by the Archaeological and Historic Sites Board of Ontario. Forty plaques were officially unveiled during the summer and fall months making a total today of 268 erected throughout Ontario since the inauguration of the programme.

I have said before, and wish to repeat again, how much we are indebted to the members of the Archaeological and Historic Sites Board and its fine chairman, Mr. William Cranston, for their untiring efforts and great assistance in making this programme such an outstanding success.

The erection of plaques and the investigation of sites of archaeological and historical significance has resulted in a greatly increased interest among local residents in their own district's historical attractions. For example, we gave assistance to Dr. Wilfrid Jury in his investigation of the Willow Fort site in Vespra township. As a result of his findings there, the Barrie Chamber of Commerce purchased the property and is drawing up plans for reconstruction of this former military depot. Situated near the western terminus of Nine Mile Portage, it protected, back in those days, the vital supplies being forwarded to British military posts on the upper Great

Lakes during and immediately after the War of 1812.

Support was also given to Dr. Jury in his project of locating and outlining the ruined structures which formed part of the former naval headquarters at Penetanguishene, and in his investigations of certain Huron village sites in Tiny township in an effort to locate definitely some of those visited by Champlain and the early missionaries in the early 17th century.

We also employed an expedition, headed by Mr. Walter Kenyon of the Royal Ontario Museum, to continue investigation of the ruins of a fortified structure near the mouth of the Albany River. While no final conclusions have, as yet, been reached it appears to have been erected with considerable skill along military lines, and it is believed to have been the second or third post of the Hudson's Bay Company on the Albany. It was probably built during the 1680's and abandoned in 1713 and was obviously involved in the military conflict between the French and English in that era.

This site is of particular interest since it has not been built on, or disturbed, since the early 18th century and has thus provided invaluable information on the construction methods, living conditions, weapons, trade goods and utensils of that period. An extensive collection of artifacts was recovered from the site and these will provide important information to historians and museum authorities. It is also felt that the knowledge gained from excavation of this post will prove useful to any organization contemplating the reconstruction of other early trading posts as historical attractions.

The programme of assistance to the province's public museums is being continued and by the end of this fiscal year it is estimated that some 40 museums owned by municipalities or regional conservation authorities will have received financial assistance through this department. Grants, intended to assist in maintenance and curators' salaries, are made on a matching basis and are contingent upon expenditures made by the municipality concerned.

Technical assistance is also available to all public museums, and during this year some 80 museums took advantage of this service which covers such aspects as administration, organization, display, cataloguing, preservation of material, and publicity.

The Department of Public Records and Archives has continued its important role of collecting and preserving government records

and other documents, and I am happy to say that students and researchers are making use of the material in ever increasing numbers.

Also, the archives are particularly concerned with the preservation and the availability of essential records during an emergency, and have produced a programme for this purpose for the Emergency Measures Organization which, I understand, is being studied by other provinces with a view to adopting the same methods.

Mr. Chairman, in giving this report on the activities of the department during 1961, and some indication of our plans for 1962, I have left to the end, as I did in the last session, the programme of matching grants to recognized regional tourist organizations which was commenced, as you will recall, at the beginning of this present fiscal year.

The last time I addressed the House I expressed the hope that this plan would bring about the formation of tourist organizations which would fill the gap between the efforts of this government and those of communities and individuals.

While we were optimistic about the outcome of this project, we anticipated that in the first year no more than eight to 12 regions would become organized and qualify for the grant. I am especially pleased to say that the reaction throughout the various areas of the province has been excellent and up to the present 15 organizations have qualified for grants, and it is anticipated from the information that we now have before us, that no less than 22 regional associations throughout Ontario will qualify by the end of this fiscal year. This is very encouraging and is very indicative that, with a little support and encouragement, the people in all types of business are prepared to work with us in helping to make our province more attractive to our visitors and to our own people.

Mr. Chairman, I would like to sum up by saying that every indication points to 1961 as being one of our top tourist years. This is supported by the forecast of the Dominion Bureau of Statistics on which we have to rely for our figures and which, on the basis of material before it now, expects Canada as a whole to receive in excess of \$400 million in tourist revenue from the United States alone, and to have in excess of 30 million people cross our Canadian borders.

This will mean that Ontario will receive in excess of \$300 million in United States dollars alone and that would not include travellers from other foreign countries or the expenditures of our own Canadian people,

which certainly amounts to a very high figure.

Our K.O.B. advertising programme and the assistance received from throughout the province certainly has encouraged our own people to travel about our province and we feel the industry has profited very much from it.

I am sure we can look forward to 1962, and on into the future, with optimism, for greater things, for an increasing volume of vacationers from other lands, for increasing numbers of our own people and from our sister provinces, and for better facilities for this great industry that means so much directly and indirectly to the benefit of all the people of this province of Ontario. Tourism is a big and profitable business, and once again I do ask for the support of this House and in fact the support of all our people in Ontario to help us not only retain the enviable position that we hold today, but to make greater progress. Thank you.

Mr. Reaume: In the early part of the discussion the hon. Prime Minister (Mr. Robarts) mentioned the fact that we were going to deal with a very few unimportant matters, rather than estimates of the departments. Now, I agree that this is probably one of the unimportant ones, but after hearing that speech I was just wondering who are we to actually say that by the efforts the hon. Minister has made, or the department, that he has really attracted any people here; he may have frightened some of them away.

I do not really think that he should brag so much about these advertisements he has put in the papers, the movies that he once in a while shows. After all, the tourist business, as he has outlined, is a big business, a profitable one and I am just wondering what the province is doing about it. It must be about five years ago that a large group of people who were in the industry appeared before our group here, the committee, in the presence of the hon. Minister, the present one, and they had a very well worded brief asking the government of the province to help them by making loans.

These people, I think, are men and women engaged in the business of trying to attract people here from other parts of the world and one of the complaints that we get from tourists, who come here, is that in various parts of the province we have not got proper places for them. Accommodations are not as good as they could be if the province would make available to these people funds in order that they might build

proper types of places or fix up the places that they have.

I remember at that time the hon. Minister, after hearing the brief, and I think this is about five years ago, got up and made one of these speeches, and at that time he said: "I will take this matter up with the hon. Prime Minister of the province and you can feel sure that we will give you all the help that you want."

There has not been any help forthcoming; these people in the industry are still asking for help. I was just wondering when the government is going to take this job, this business of attracting tourists to our province, as being a big job and an important job? The head of the department says it is important, and yet the government of the province treats it as though it is not important. As a matter of fact, the hon. Prime Minister himself—

Hon. Mr. Robarts: As a matter of personal privilege—

Mr. Reaume: —as a matter of fact, the hon. Prime Minister himself, in the early part of these sessions, said that we will only deal with unimportant and—

Hon. Mr. Robarts: It is a matter of personal privilege.

Mr. Reaume: All right!

Hon. Mr. Robarts: The hon. member says that I said that this was an unimportant department.

Mr. Reaume: No, I did not say that.

Hon. Mr. Robarts: The hon. member just said that.

Mr. Reaume: I said that the hon. Prime Minister said, we are only going to deal with some estimates—or rather some unimportant departments, or something to that effect. Well, all right, go right ahead and read it. The hon. Prime Minister has it there.

Hon. Mr. Robarts: That is not what I said at all, nor did I even intimate it.

Mr. Reaume: Well, what did the hon. Prime Minister say?

Hon. Mr. Robarts: That I can only reiterate that the estimates being tabled here this afternoon are for departments that will not have a large effect on the over-all financial picture of the government.

Mr. Reaume: Well, is that not a fine statement?

Hon. Mr. Robarts: If that can be interpreted as referring to this as an unimportant department, the hon. member's powers of logic are beyond me.

Mr. Reaume: It has the effect of this. I want to say again, in my opinion, this one branch of government could be made very important but as hon. Prime Minister of the province he is dealing with it as one that is not important.

Now, I can agree, sir, I can agree with everything the hon. Minister said about this being a wonderful province; there is no question about that. I do not think there would be an hon. member in the House here who would dare stand up and say that it is not a wonderful province.

Hon. Mr. Cathcart: For 75 per cent of the total tourists.

Mr. Reaume: There is no question about it. But here is the point: With the resources that we have here, and there can be no question about it that it is a wonderful place for people to come, we must look at the facts. There are one-tenth as many people here in our country as there are in the United States, and yet two and one half times as much money is spent by our people over there as by the people from over there who actually come here and spend their funds.

Hon. Mr. Cathcart: The trend has been changed!

Mr. Reaume: Tourism in our province is not going up; as a matter of fact, there are more people who are going to other parts of the world. Tourism in our province, I think, is standing about as it was. There is no question about that.

Hon. Mr. Cathcart: Increasing. Over 75 per cent of Canada's total.

Mr. Reaume: I know, but the hon. Minister uses some fancy figures. What I think he ought to do is to table those figures and explain to this House how he arrived at those figures.

Hon. Mr. Cathcart: The Dominion Bureau of Statistics.

Mr. Reaume: The hon. Minister seems to be a little branch of government, over in the corner, operating all alone without any help

at all. Now there are other branches of government that I think could help him, whether or not he has any influence—

Hon. Mr. Cathcart: I said in my speech that they are all helping me.

Mr. Reaume:—whether he has any influence on that in the Cabinet, of course, is questionable. But I suggest this one little thing that was announced only a week ago. In the building of highway 401—and the government has been years and years building 401. Part of 401 four-lanes, part of 401 two and still part of 401 nothing at all; consequently American people coming over here, trying to get from the border of the United States—Detroit, Windsor—travelling east in our province. It was like playing this game of on-again, off-again Finnigan.

You go on to No. 3 or No. 2; off of No. 3 or No. 2 onto 401; off of 401 again back on to 2 or 3, and back on 401. So you did not know half the time exactly where you were going.

It might be a good idea if the hon. Minister's department, along with other departments including, I think, The Department of Highways, and we might couple with that one too, liquor laws of the province—now there really is an important one that we pretty nearly overlooked.

An hon. member: There must be others.

Mr. Reaume: Now, if the government had a sane, sensible liquor policy in the province, under which tourists could get alcoholic beverages in proper places instead of the nonsensical, foolish laws that we have on our books now, it might attract tourist people to our province.

There was a wonderful thought advanced by the hon. Minister of Public Works (Mr. Connell). He was going to attract a great many tourists to Windsor, my home town. He had made a trip out west and visited a park and while he was out there he had seen a lot of prehistoric monsters and that attracted the eye of the hon. Minister. He became entranced. It became a romance with him so he took moving pictures of these prehistoric monsters and upon one of these trips to Windsor he thought so much of this film that a very few people were invited to the preview of a private showing, the mayor and a few of the higher officials of the community and he said, "Now, I think this would be a wonderful thing if we established a zoo, a prehistoric zoo, right in the uptown part of Windsor's area."

Well, now, here is a picture of some of the ideas of the hon. Minister of Public Works. Just imagine this, if The Department of Public Works in all its wisdom, had established a prehistoric zoo in the heart of downtown Windsor, right at the end of the exit of the tunnel, how would people have found any place to park? It is the most congested area in town; and if that had received the blessing of the people in power—I do not know whether the hon. Minister took it on his own or not—but if that is the kind of fuzzy thinking that his government is going to do, it is not any wonder that they are changing Ministers around every now and then, and probably should change them around more.

I am sure that all the hon. members of the House—and that includes those over there—are interested in doing what we can in order to attract more people to our province. But how are they going to attract them when they find their way into certain parts of the province and the accommodation is inadequate? If the hon. Minister had his heart and soul in this business of attracting tourists here—if there is any agency or anybody who ought to be helping these people, it is this department.

First of all, what they are doing is this: By not giving credit, by not loaning these people funds, they are forcing them to go to loan sharks who are charging them bonuses in order to obtain loans.

Hon. Mr. Cathcart: I was told exactly the opposite by the Northern Ontario Tourist Operators Association; that they are very happy with the latest arrangements whereby loans may now be obtained from the Industrial Development Bank of Canada.

Mr. Reaume: I have in my files names and addresses of people who have borrowed funds and have paid bonuses right here in Toronto, and the bonuses are high. All I am asking the hon. Minister, and they have asked this, is that the hon. Minister establish in the department some form of credit whereby these people can borrow funds and build proper places.

Hon. Mr. Cathcart: The Industrial Development Bank of Canada.

Mr. Reaume: There is not a branch here of the government, and if the hon. Minister will go back with me some four or five years, we had a meeting, I think it was in committee room No. 3—

Hon. Mr. Cathcart: We changed the government at Ottawa and they came through with the necessary legislation.

Mr. Reaume: Well, I think what we should do is to change it again. But at that time, in all seriousness, at that time these gentlemen had a brief, the hon. Minister took a copy of that brief, and I understood at the time that he was going to take this matter up with the former hon. Prime Minister (Mr. Frost) and the Cabinet, or the hon. member for Victoria alone, who was the entire Cabinet, and the hon. Prime Minister was going to bring back a report. That was four years ago and we have not heard a report on it yet.

Hon. Mr. Cathcart: I did not say that.

Mr. Reaume: What did the hon. Minister say then? What happened to it then?

Hon. Mr. Cathcart: They submitted their brief and I reported back to my joint board of the Ontario Travel Association.

Mr. Reaume: Who is on the hon. Minister's joint board?

Hon. Mr. Cathcart: Representatives of all the major tourist associations in Ontario.

Mr. Reaume: Ah, but what the hon. Minister said was this—I am not talking about some joint board. What I am talking about is this: The hon. Minister said he was going to take up the brief with the hon. Prime Minister of the province. Did he do that?

Hon. Mr. Cathcart: Yes.

Mr. Reaume: Well, what did he say?

Hon. Mr. Cathcart: We made arrangements with the federal authorities and they have provided the loan resources in two different ways. They are available to the tourist operators and the tourist operators told me at a convention yesterday—with some 300 of them present—that they were very happy with the manner in which money is arranged for now; that they do receive their loans and they receive them at a reasonable rate of interest.

We felt that the federal authorities should handle this across Canada, making it available to all of our ten provinces and not just single out this one province that has enjoyed the advantages of bringing in people over the years. We preferred that the federal government should do it. They have done it and the tourist operators told me yesterday they were very happy with the ease with which they now can arrange loans either through

the banking facilities or the Industrial Development Bank.

Mr. Reaume: I am very, very happy that the hon. Minister explained that. Now I want to ask this question: I am assuming from what the hon. Minister said, that the policy of his people is to leave things as they are? That he is very well satisfied? That is what he has said.

Hon. Mr. Cathcart: No, I did not. The hon. member is putting words in my mouth. The policy—

Mr. Reaume: Now, do not worm out of it.

Hon. Mr. Cathcart: I do not create the policy.

Mr. Reaume: Well, who does?

Hon. Mr. Cathcart: The government of the province of Ontario.

Mr. Reaume: Well, who is the government? Now is that not a good one? The government? The hon. Minister is part of it.

Hon. Mr. Cathcart: That is right, but I am not the government. I am just a portion of it.

Mr. K. Bryden (Woodbine): Does the hon. Minister wash his hands of the responsibility?

Hon. Mr. Cathcart: No, I do not, and the evidence is in the statements I have made that I do not wash my hands of the responsibility.

Mr. Reaume: Well, the hon. Minister ought to.

Hon. Mr. Cathcart: Ontario is enjoying 75 per cent of the total of Canada's travel industry.

Mr. Reaume: There is no use in talking to the hon. Minister at all then. He might as well quieten down.

May I ask the hon. Prime Minister (Mr. Robarts) then? May I ask him—the hon. Minister is finished now. May I ask the hon. Prime Minister, what is the policy of the government of the province? Is he satisfied with the credit arrangement respecting the tourist people of the province, or is his government going to institute a policy that will give them credit?

Hon. Mr. Robarts: Mr. Chairman, if I can follow the question of the hon. member, he

is asking me what is the policy of the government regarding this government making loans to the tourist industry, is that it?

Mr. Reaume: And if the hon. Prime Minister has a policy.

Hon. Mr. Robarts: Well, at the present time we are setting up certain committees to investigate various phases of the economy of the province and in due course we will produce a policy covering this, and covering many other things.

Mr. Reaume: I am not worried about other things, I am worried about this one.

Hon. Mr. Robarts: I am glad to hear the hon. member is not, but I will just answer his question.

Mr. Reaume: Let us deal with one at a time.

Hon. Mr. Robarts: I will just deal with the hon. member's question. In due course we will produce a policy which I am quite sure will be acceptable to the tourist industry and will meet certain requirements—which we must investigate before we do it. I cannot give the hon. member any more detail than that at the moment.

Mr. Reaume: What the hon. Prime Minister is saying is that actually there is a study being made now of the tourist problem in the province as it respects credit? Is there?

Hon. Mr. Robarts: Mr. Chairman, I have to be very careful in answering the hon. member. I did not say that a study was presently being made, I said that we were creating the organization by which a study would be made of this problem, as well as many other problems concerning various fields of economic activity in the province. That is precisely it. I want to be exact in what I say because the hon. member might possibly misquote me.

Mr. Reaume: I am assuming, of course, that any responsible group of people, such as you have over there, are constantly making a study of everything. I know that the hon. Prime Minister is going to encompass all the problems of the province and that he and the brain trust will probably make an attempt to answer questions on all the problems we have; but what I was asking was very simple. I was asking whether specifically you are making a study of the tourist problem now

as it respects credit to these people who want to build motels, tourist places and things of that kind. Now that is not a tough problem, a tough question. Is there a specific study being made on it or not?

Hon. Mr. Robarts: Mr. Chairman, I do not think I can be any more exact than I have been. I have told the hon. member that we are setting up the machinery and organization by which this problem among others will be studied. Now I cannot really be any clearer than that.

Mr. Reaume: If the hon. Prime Minister will look on page 38 of *Hansard*, in the top left column in the corner he will find this quote, in his own words; he was speaking about the estimates of these departments we are dealing with now. Here are the words of the hon. Prime Minister that he was so certain that he did not say:

Nor do they have the importance, if I may put it that way, that some of the larger departments have.

Now that is in his own words.

Hon. Mr. Robarts: That is quite correct, Mr. Chairman.

Mr. Reaume: Why did you put it that way?

Hon. Mr. Robarts: Now just a minute, if you will read what I said—

Mr. Reaume: Well, I have it right here—"nor do they have the importance—"

Hon. Mr. Robarts: That is right.

Mr. Reaume: Well now, is that not a fine thing for—

Hon. Mr. Robarts: In other words they are not the large spending departments of government.

Mr. Reaume: Nor do they have the importance.

Hon. Mr. Robarts: I may put it that way, the importance of some of the larger departments; that relates to spending.

Mr. Reaume: Nor do they have the importance.

Hon. Mr. Robarts: The whole point was that I was referring to departments whose total amounts of spending were not what one might term significant in the total budget of

the province. The hon. leader of the Opposition (Mr. Wintermeyer) knows this is the point we were debating. Now, if you want to twist it around to make it appear that I said this was not an important department, I will stand up here and debate unequivocally that I consider this to be one of the more important departments of our government. Its budget is not a large budget comparatively speaking with other departments of government.

Mr. Reaume: What the hon. Prime Minister is doing now is squirming out of what he said.

Mr. R. C. Edwards: Mr. Chairman, may I ask the hon. Prime Minister a further question? I would like to try to elicit some information with respect to this committee that he mentions is being set up. It would seem to me, sir, that this information should be available through The Department of Economics. I am of the impression that for the past number of years, surveys have been made in the province. Would the hon. Prime Minister tell us how this information will be different from that which might be obtained through The Department of Economics?

Hon. Mr. Robarts: Well, Mr. Chairman, I can only say the studies to which I am referring will be made by the new Department of Economics itself.

Mr. R. C. Edwards: Well, Mr. Chairman, if they will be made by this department, are they not available now? It is my understanding that this department has been making surveys throughout various parts of the province and that the portion of the province which is more particularly concerned with the tourist industry has already been surveyed. Is that correct, sir?

Hon. Mr. Macaulay: May I say to the hon. member who has spoken that the reports to which the hon. member makes reference are reports which have been published from time to time like other reports by The Department of Economics, The Department of Economics itself. These reports are studies of the economics of the tourist industry. There are studies on the development of the Georgian Bay district; there are studies relating to the Milk Board. These are publications which are put out by The Department of Economics from time to time. This is the study to which the hon. member is referring.

The hon. Prime Minister is referring to the establishment of the new Department of Economics and Development and the creation of an Ontario Economic Council which will have

a number of study groups which will study specific industries, one of which will be the tourist industry; it will study various ways and means that this industry may be stimulated. The one is the situation report of that which exists, the Economic Council and its study group on the tourist industry. The council's purpose will be to find what ways and means are available to the government, as well as to the industry itself, to stimulate it by way of whatever legislation there might be or whatever kind of assistance there may be, both for the industry to help itself as well as for the government to assist.

Mr. R. C. Edwards: I would like to say this Mr. Chairman. The hon. Minister has given a very comprehensive answer but it seems to me that both these departments have been in existence a number of years and surely this government has not been unaware of the situation with respect to the tourist industry, which I understand is a very important segment of the economy of this province.

It seems to me very strange that notwithstanding the fact that several years and great sums of money have been expended to produce these services by The Department of Economics; notwithstanding the fact that we have had in this province a number of years a Department of Commerce and Development—and the only difference now Mr. Chairman is that these two departments are to be amalgamated—it seems to me very strange that notwithstanding the fact that the government has been fully aware of the problem with respect to the tourist industry, that they should just now be getting around to setting up a department or setting up some kind of a committee to study this problem. It has been brought to the attention of the government many times before and I think they can be criticized for being negligent if they are only now getting around to studying this problem.

Hon. Mr. Macaulay: The points which have been made by my hon. friend are not related. He says because we now plan a new attack on this problem we must therefore assume that nothing has been done or we were not aware of any kind of a problem before. This is patently unfair when the hon. Minister in charge of The Department of Travel and Publicity indicates the tremendous increase in the proportion of the tourist industry which has been attracted to this province. The total has increased to over 75 per cent of all tourists. Surely the hon. member would want to give even begrudging credit to an

hon. Minister who has administered, capably and well, a department which is now responsible for attracting into this province about 75 per cent of tourists and the attendant benefits these bring to the province of Ontario.

As far as the reports are concerned, in relation to The Department of Economics, these have been available both to the hon. Minister and the tourist trade, and the hon. member would know if he were closely associated with the tourist industry that these reports have formed a basis for a number of activities which have been engaged in in relation to the tourist industry. They are available to the hon. member if he would like to have a copy.

These reports are not related to the programme which, as I have indicated, will be attacked under the Economic Development Council. This is a new approach towards the revitalization of industry in this province and one cannot properly do it without accepting that the tourist industry is part of it, and attacking the industry problem in this province as a whole for the future.

To leave out the tourist industry just for fear that by including it, it may be said of us that we have ignored it in the past, I suggest is a sieve that just does not hold water. We are approaching this problem as an economic whole and that is the purpose of creating The Department of Economics and Development. We want, if we can, to approach this problem of industry in Ontario in an aggressive and creative way.

Mr. R. C. Edwards: Mr. Chairman, I would like to say that the hon. Minister has done a lovely job of stickhandling around the issue. The issue which was started originally and which the hon. Prime Minister answered was the matter of loans to tourist establishments and he gave us a great long detailed approach of the new Department of Economics and Development. But the fact of the matter is that it has been well known for a number of years that the tourist industry has been suffering due to a lack of financial assistance. I can suggest to the hon. Minister one case where excessive rates of interest had to be paid at one of the border points in this province because the operator of a very large motel was not able to obtain financing for this very important part of our tourist industry through the normal channels. I think the hon. Minister has sidestepped the issue completely, but I am glad to see that they are going to do something and that something will be forthcoming with respect to this problem.

I have several other questions, Mr. Chairman. I do not know if this is the time. I should present them. I presume we are still working on vote 2101; is that right, sir?

Mr. Chairman: That is right.

Mr. R. C. Edwards: Would the hon. Minister of Travel and Publicity advise the House whether any thought has been given to recommending to The Department of Transport that the licence plates which are issued to all Ontario cars, and which travel throughout North America—if perhaps some slogan were placed on these plates similar to other provinces of Canada and throughout many of the states of the union to the south of us? Has any thought been given to promoting Ontario by the addition of a slogan or something to our automobile licence plates?

Hon. Mr. Cathcart: Mr. Chairman, there has been a lot of thought given to it and as a matter of fact I cannot help but agree with you that we should work out some kind of a deal, which would not cost us too much, to have that "Refreshing Ontario," "The Heartland of Canada," or some such phrase—those phrases that we use in our publications are good examples. They all bespeak of this province. No matter what you say as long as it is bright and cheerful, it applies to the province of Ontario. Ontario has everything that all of the other countries in the world have. We have it all within the boundaries of this province.

We have been giving this serious consideration but I believe that there are problems—I know there are problems in relation to the production of the licence—to get something in the way of a phrase on there and which would not interfere with the numbers of the licences, which are of very great importance as you know. As a matter of fact, I would like a suggestion or two of some very short names or words which we might use so that I might be able to meet with a little more success.

Mr. R. C. Edwards: Mr. Chairman, the question I thought I had asked is, has this matter been taken up with The Department of Transport and is it likely to become a reality?

Hon. Mr. Cathcart: I do not know. Again, I say if we had some small word that could be used indicative of the province we might be able to do something about it. It is a good suggestion.

Mr. R. C. Edwards: Mr. Chairman, I have here a copy of a submission by the joint board of Ontario Travel Associations regarding the insurance industry, which was presented to the legislative committee on travel and publicity, and I see two or three other suggestions here about which I should like to ask the hon. Minister at this time. I see that it is some months since this was presented and I am sure there has been time to consider the suggestions. The one I just made with respect to licence plates was included in there and I am surprised that the progress has been as slow as the hon. Minister has just suggested.

One of the suggestions was that more consideration be given to providing tourist information to the travelling public along Highway 401 which services many tourist areas. It seems to me that we set these reception centres up at the entrance to the province and then we speed the people through the province from one side to the other without any indication and without any other place where they can get this information. I would like to ask the hon. Minister whether consideration has been given to providing perhaps one or two of these reception centres along Highway 401, or what has been done to provide this service to the people using that road.

Hon. Mr. Cathcart: Mr. Chairman, I mentioned in my talk that, as I promised last year, we did construct the lakeland centre up on Highway 400, which is in the heart of the province. It serves many more, but 32,000 went in and signed their names and received information.

Highway 401 has not been completed, but I might say that throughout the province, over and above our centres, we do grant approval to many business places to distribute Ontario literature and to give out information. These places only receive approval when the municipality in which they are located recommends it.

We have moved on the one inland centre on Highway 400 which I know has proved to be a great success and very helpful because, as the hon. member has stated, people cross at the border point, they travel two, three, four, five hundred miles maybe, in this big province. You can get lost and bewildered having driven two or three hundred miles and you need a refresher course, and that is where we found that the lakeland centre up here on Highway 400 has been very helpful. People have appreciated it; we have received many letters commending us for that centre.

I think consideration will be given to Highway 401 in some manner or another. I am, as the Minister of this department, not supporting the building of Ontario information centres indiscriminately throughout the province of Ontario. I think we could clutter it up with such centres, they cost money to operate. When you get too many they become a routine affair and people do not appreciate them. We do have many locations throughout the province that have our approval to distribute information and they have signs displayed. They have been very helpful.

Mr. R. C. Edwards: Mr. Chairman, since the hon. Minister is going to be thinking about this matter as it applies to Highway 401, I note in a remark of the hon. Minister of Highways (Mr. Goodfellow) that The Department of Highways has just got around to thinking of service facilities on Highway 401. Might I suggest to him that perhaps a little talk with the hon. Minister of Highways might not go amiss. It might be possible to put in these information centres, or to rent a very small section of the service centres on Highway 401 to distribute this information.

Hon. Mr. Cathcart: That is now being considered.

Mr. R. C. Edwards: I am very pleased to see that it has already been considered. Would the hon. Minister tell me whether this is going to be done with The Department of Highways or with private people who are going to operate these facilities?

Hon. Mr. Cathcart: It has not reached that point yet.

Mr. V. M. Singer (York Centre): A question of detail. We were told the other day that it is under study.

Mr. R. C. Edwards: The other question I would like to ask the hon. Minister is with respect to the number of tourists who have entered, or the number particularly of Americans who have come into Ontario in the present year. Does he have any figures available with respect to the number of people, and could he tell me whether or not this is an increase or a decrease over previous years?

Hon. Mr. Cathcart: A year ago it was 4,320,705; these are figures that we obtained from the Dominion Bureau of Statistics, it is the one way in which we can obtain figures and they are not ours so they are not

fixed in any way, we get them from the federal government. 4,320,705 came a year ago. This year for the first nine months: 4,557,916 and so there is an increase on the number of people that have crossed our borders.

Mr. R. C. Edwards: I asked the hon. Minister for the figures. I am sort of amused to get them though because I am referring now to *Hansard*, March 23, 1960, when the then hon. Prime Minister of the province (Mr. Frost) made a great speech in which he indicated that when the exchange rate was lowered so that there was not such a penalty, that this would increase by substantial numbers. I am interested to note that there has not been much of a change other than the normal increase which has been taking place for the past number of years.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, the question I would like to ask—at Fort Erie, which is part of this system that the hon. Minister is taking care of, and doing such a good job according to his own admission—he was not boasting, he was just giving us the facts—

Hon. Mr. Cathcart: I work for it.

Mr. Bukator: Quite some time ago the hon. Minister may recall that he had a letter from those people asking him to do something about their reception centre at the Peace Bridge. They also suggested that the hon. Attorney-General (Mr. Roberts) might look into the matter and improve the conditions for the provincial police. I saw the letter that the hon. Minister received from them; they sent copies to me after they failed miserably in getting action.

I like the way the hon. Minister says that he would look after this matter in due course. These letters were similar to that; in due course—I wonder when that will be, it could be in a couple of years' time when we take over.

I was out to the opening of a pumphouse with the hon. member for Wellington-Dufferin (Mr. Root), and the mayor of Fort Erie, disillusioned but still believing in the government, said, "They will take care of us when we need anything." Now, for several years he has been looking for this particular unit. I do not want to criticize the hon. Minister severely at this time, but does he recall his visit to Niagara Falls in that beautiful Brock Hotel when we had this dinner and I was his guest?

The hon. Minister was talking then about this wonderful system that we have and I agreed with him, but does he recall my words at that time, that across the river from him things were happening. They have a park there that puts ours to shame. They have started out with an estimate of \$63 million, from Buffalo to Fort Niagara. Those people have improved a considerable amount of that area.

I am going to tell the people of this government that the figures of tourists in that area will decrease because of their activities there; we are missing the boat. We have the natural beauty, we have the area in which to entertain these people but they are not going to come here because the hon. Minister has not kept up with the times.

I am not going to take it any further except to say that in due course Fort Erie is entitled to a new reception centre. The hon. Minister ought to be ashamed of that unit.

Hon. Mr. Cathcart: Mr. Chairman, I wrote a letter to the mayor a couple of weeks ago to explain the whole thing.

Mr. Bukator: Is that not wonderful? After many, many months have passed, he finally wrote another letter to explain the whole thing. The mayor will be mayor no more; he has resigned his job owing to the promises that this government has given him, and that it has not come through with. He did not want to be defeated—he quit.

Hon. Mr. Cathcart: Oh, did he? That is too bad.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I was most disappointed in the remarks of the hon. Minister and the fact that he completely left out any comment concerning the tourist reception centre in the city of Windsor. Time and time again this government has practically built the centre on their promises. Two years ago the hon. Prime Minister mentioned that the people in the Windsor area had voted against this; then he corrected his remarks and said that you will have it this year. That was two years ago and we are still waiting for it. The hon. Minister of Public Works came into the area and after presenting us with a beautiful stone zoo made the following comment. He said that there is a big need for the centre which he predicted would be comparable to the tourist information centre at Sarnia.

Hon. Mr. Macaulay: When was that?

Mr. Newman: This was on August 25, 1960 and that was the date of the memorable zoo presented to the city of Windsor.

Now, if the government was as interested in the tourist industry as they claim, they would certainly have co-ordinated departments. One of the prime interests of the tourist in entering the province of Ontario is to be able to travel on decent highways. Now, the latest comment is concerning Highway 401. Certainly the tourist department is not getting together with The Department of Highways when an editorial such as this taken from the issue of the *Windsor Star* of December 2 reads:

SHORT CHANGED ON 401

The long missing link on Highway 401 between Cobourg and London is to be about the last completed portion of that superhighway. Provincial authorities have made much of the fact, however, that it was to be completed in 1963. Now they are reneging by half on this promise. All that will be completed in 1963 will be a two-lane strip. It will not be until 1964 that the four-lane highway is ready and as these completions normally come in summer or autumn probably will not be available to heavy traffic until 1965.

Surely you can see some of the short-sightedness on the part of this government when on the one hand they talk of the tourist industry and on the other they do not give the tourists the opportunity to travel on decent highways so they can see portions of this wonderful land of ours.

Then again, Highway 401 was completed from Windsor to a little past Tilbury, approximately 36 miles, but the chambers of commerce in the Kingsville-Leamington area had the most difficult time in getting The Department of Highways to erect signs pointing to the city or the town of Leamington, to Point Pelee National Park which is the second most popular park in the Dominion of Canada, or to the town of Kingsville.

Certainly there must be some shortsightedness on the part of the government when for the want of a sign they deprived our American tourists of an opportunity of visiting such renowned areas as Kingsville and Leamington. When I say Leamington and Kingsville I include the Jack Miner bird sanctuary, one of the unusual spots in the province of Ontario.

Hon. W. A. Goodfellow (Minister of Highways): Might I ask the hon. member if he

would send me the information in connection with where they want these signs?

Mr. Newman: The signs have been constructed since, prior to the hon. Minister taking over. But they had the most difficult time in getting them. It was only after the concerted efforts of practically all of the chambers of commerce there, that this government woke up.

Windsor, being the garden gateway to Canada, has practically more tourists entering it than any other city in Canada outside of, I understand, Fort Erie. We are located in an area where we can attract within one day's travel approximately 50 million people; yet the tourist centre that is provided for our American guests certainly does not speak too highly of the government's ideas of tourist promotion.

Across the river from Windsor you have Detroit with its innumerable conventions. Yet we do not find sufficient tourist information supplied to these convention delegates in the city of Detroit by our own Department of Travel and Publicity. I understand there are plenty of conventions across there and it is only seldom that we do see Ontario travel information in Detroit.

Hon. R. Connell (Minister of Public Works): It has been brought up a couple of times this afternoon about these dinosaurs in the Windsor area. Hon. members completely missed the point of the reason for my being there on—they have the date better than I have, they say it is August 25, I am not too sure of the date. I was up there primarily to talk to the members of the Windsor city council that day in announcing a travel and publicity centre for which we are going to call tenders this winter. Construction will begin as early as possible so that it will be ready for the summer tourist season. This is the first portion of the Windsor public building, or provincial building that is, that has been talked of.

There was a section of that area we had bought that the Windsor people were very concerned about; cars were parking on it, so an arrangement was made with the Windsor city council whereby this would be sodded and the cars kept off.

I did mention at the time that I had been out west this summer and had visited a dinosaur park which was very heavily crowded, and was of very much interest to myself. I do not know whether hon. members have done much travelling or not, I have not had the opportunity of doing much myself,

but on occasions when you are in a travel and publicity centre and you have young children it is difficult to entertain them. I did suggest that possibly as an attraction they might put something in this park and I did mention a dinosaur, but the story did get played out of proportion a little bit.

The interesting part to me, and I hope hon. members will pay attention to this, was that a week ago Saturday night I was watching the hockey game and during the Imperial Oil advertising I noticed that they had about 26 seconds—I do not know what television time costs, but it is pretty darn expensive—I noticed about 20 or 25 seconds of the Imperial Oil broadcast devoted to the dinosaur park out in Calgary. I think you people in Windsor are missing a very good point when you do not have something there that might interest people, whether it is dinosaurs or any type of thing.

I want to remind you people that we are building a travel and publicity centre and you are missing the point entirely. You play these things out of proportion.

Windsor is getting a good many things. I visited the teachers college there, and the technological school; there are a lot of things that the people of Windsor are getting there that are attracting tourists from all over. I still think that dinosaurs have some good points. If you cannot find dinosaurs, I will bring some of my cows up there, maybe they will look at those.

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, I just want to answer the hon. Minister—

Hon. Mr. Cathcart: In relation to the highways, may I say to the hon. member that we had a couple up from Florida, a Mr. and Mrs. Millar who won a contest for the best essay on why they would like to visit Ontario. He is the general manager of the radio station at Tampa Cypress Gardens, and they are a very fine couple. They are certainly familiar with the State of Florida and the facilities there, and during their ten-day tour I collected a bundle of clippings from our local papers and in every case Mr. Millar kept saying "If Florida only had the wonderful highways that Ontario has, we would really go places". That was the reaction of the Florida couple.

Mr. Newman: Has the hon. Minister been to Florida?

Mr. Belanger: Mr. Chairman, I wanted to say to the hon. Minister of Public Works,

that after he came to Windsor and made the statement of what they were going to do with the property they had bought to establish this provincial building, namely, a prehistoric park. Within a week the hon. Prime Minister was in the city of Windsor and promised the citizens of Windsor that we would have our tourist centre, not the dinosaur park. I want to say that certainly the hon. Minister left a bad impression upon the citizens of Windsor when he promised them the dinosaur park in place of a provincial building. It just goes to show you that one hon. Minister will come to the city of Windsor and say certain things and then after that we have other hon. Ministers making other statements. Then you have the hon. Prime Minister himself come down and straighten out the whole affair. I wanted to show that sometimes the hon. Ministers should confer with the hon. Prime Minister before they make their statements.

Mr. Bukator: Could I ask a question of the hon. Minister of Public Works? He mentioned the fact that they are getting this building in Windsor and also a dinosaur, if they want it.

Is it possible that he has in his programme a small unit for Fort Erie where all these people come in? Has the hon. Minister considered that in his programme? No dinosaurs, just the building itself. Is there a possible chance we will get this building some time in the near future?

Hon. M. B. Dymond (Minister of Health): We will give the hon. member a statue of a Liberal.

Mr. Bukator: I would not want to be that honoured. All we are asking for is a decent unit for the tourists who come in, because there are thousands come in over the Peace Bridge; a place where they can ask questions, rather than those fields we have at the entrance.

I do not want to go after the hon. Minister of Highways (Mr. Goodfellow) yet, because first I would like to talk about the entrance and then we will talk about the highway if need be. Is this in the planning stages or are they going to go on with it? The hon. Minister knows it is necessary.

Hon. Mr. Connell: Mr. Chairman, a travel and publicity centre would be a prestige type of building, but the last I had heard was that they had difficulty in getting clear title to the property that had been proposed for the centre.

Mr. Bukator: When are they going to take the building off—because they have one there now. All I want to know is what is going to be done? Is there going to be room for the provincial police, who are in a tower now, or in a type of building that looks like a cell block.

Hon. Mr. Cathcart: The hon. member knows the city does not want it where it is presently located.

Mr. Bukator: All I know is that they have asked me to come to you hon. gentlemen—who have their support there by the way, for the time being—to bring this about.

Hon. Mr. Cathcart: If the mayor has retired, I thought the hon. member would be the next.

Mr. Bukator: He stepped down to deputy reeve, at least he is running for it. If he got a telegram from the hon. Minister now, I am quite sure he could be assured of his election.

Hon. Mr. Cathcart: Not a telegram, that costs money, I write letters.

Mr. Bukator: It is remarkable that the hon. Minister spent \$110,000 on travelling and he cannot spend one 50-cent piece for a telegram. I will give it to him.

By the way, what is going to happen to the additional \$354,000 that the hon. Minister is going to spend this year? Is there anything in the estimates for that? Maybe we have that unit hidden in there somewhere. This is not a difficult thing, the government owes the people in Fort Erie something. You all know the mayor; most of you who ran for Prime Minister have talked to the gentleman. He got up publicly the other day and said as long as we have these people in government, the Conservatives will be treated right. Now I am asking for your own to be treated right.

Hon. Mr. Cathcart: We recognize the need there and we are—

Mr. Bukator: I noticed many years ago that you had recognized just that, but I would ask the hon. Minister again is there possible chance he will go to work on it some time in the near future; before the next election? At least I can say they gave it to you, but I brought it about.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I am very pleased that the hon. Minister of Highways is in his seat along with the

hon. Minister of Travel and Publicity because what I have to say concerns both.

Particularly in Bruce Peninsula many of the tourist operators complain of the fact that they have a great deal of difficulty in being able to put up signs showing not only the various municipalities, the local villages or tourist areas but also they have difficulty in putting up signs showing their various places of business. Now, I would like to compare that with the situation in Muskoka. I have travelled through Muskoka and I do not think I am exaggerating at all when I say that on the corners that it is not uncommon to see perhaps 15 or 20 signs, showing where certain areas are.

Mr. Chairman, I assure the hon. Minister of Travel and Publicity and certainly the hon. Minister of Highways that this is not the case in the Bruce Peninsula and in the tourist season the Bruce Peninsula can certainly be compared to the Muskoka area. It is primarily a tourist area and I feel if these signs are allowed in Muskoka they most certainly should be allowed in the peninsula. This is actually a hardship on many tourist operators.

In the Muskoka area I have seen on numerous occasions where not only the area is advertised but the person's place of business also, there is a finger sign pointing to it along the highway. And I feel that inasmuch as the peninsula, I would say from Highway 21 north, as a matter of fact, but inasmuch as this area is primarily a tourist area, that an exception should be made in the case of that area as it has been in Muskoka and I think rightly so. These people should be allowed to advertise their places of business and the tourist areas as they are in other areas.

Mr. R. J. Boyer (Muskoka): Mr. Chairman, I think the people of Muskoka will be interested indeed, to know that an exception has been made in that district, but it will be a big surprise to them, I am sure.

Mr. Whicher: Mr. Chairman, I assure you I was not trying to take any backhand slap at the people of Muskoka. I am merely pointing out that it is not the least bit uncommon in the Muskoka area to see numerous signs pointing to various small municipalities, tourist municipalities. Such is not the case as far as the Bruce Peninsula is concerned. The Department of Highways has not allowed these signs to be put up, and I am merely asking, Mr. Chairman, that it be allowed in the area from which I come.

Hon. W. A. Goodfellow (Minister of Highways): Mr. Chairman, I hear complaints from my own county—I have one of the most important tourist counties in the province of Ontario—Rice Lake, Trent River and Lake Ontario—and I hear complaints similar to those mentioned by the hon. member for Bruce (Mr. Whicher).

I do not think we want to get every tourist resort having big illuminated signs, but I think there is a good deal of merit in having finger boards on our secondary King's Highways so at least a tourist coming from the States gets a general idea of where the resort is; so that you can stop at the four corners and see the finger board.

The whole matter, I understand, is under review, but I have the same problem as the hon. member for Bruce. We are considered to be in southern Ontario—in the more civilized part you see—and we are not allowed these things.

Hon. Mr. Cathcart: As a matter of fact added to that, we have representation, through the kindness of the hon. Minister of Highways on their sign committee so that such things can be brought to their attention.

Mr. Whicher: Mr. Chairman, I want to ask either of the hon. Ministers: would it do any good to bring down people to ask you for these things? This is a very important matter, I assure you, to the people concerned. I feel that we should have the same chance of attracting these people as those in the Muskoka area; people do get lost on our back roads in Bruce county, there is no use denying it.

Hon. Mr. Goodfellow: Realizing that I always pay strict attention to, and take into great consideration, any matters raised by the hon. member for Bruce, there is no point in bringing down a deputation.

Mr. R. C. Edwards: Mr. Chairman, I should like to ask another question of the hon. Minister. I note in this pamphlet, to which I have already referred, a considerable amount of time has been given to the problem of overcrowding in some of the more popular resort areas. I think this admission indicates that greater numbers of tourists are coming into the province—not as many as we would have hoped for, but greater numbers—and they are coming over here in many cases with high powered boats and the peace and tranquillity which was once available to our Ontario residents at many of these smaller lakes is being disturbed. They have suggested that the hon. Minister give considera-

tion to enforcing the part of the statute under The Tourist Establishments Act, section 2, subsection j, which states: "prescribing the maximum number of tourist establishments for any designated area."

Would the hon. Minister tell us how he goes about doing this? What has been done in the past few years? And whether or not any licences have been refused because of over-population in any particular area or not?

Hon. Mr. Cathcart: We have provisions under our legislation for zoning. However, there is tremendous pressure for increased facilities and in co-operation with The Department of Lands and Forests we are endeavouring to control the situation so that it does not get out of hand.

There are parts of the province where it has become pretty well developed and there are parts which are pretty much wilderness areas. Of course we are particularly concerned about holding some of those wilderness areas until they can be given further study before they become overdeveloped. Does that answer your question?

Mr. R. C. Edwards: No, Mr. Chairman, it does not answer my question. I particularly asked the hon. Minister if any licences had been withheld or refused because of an over-population in area; can he answer that part of the question?

Hon. Mr. Cathcart: No.

Mr. R. C. Edwards: Well, then, how is the department prescribing the maximum number of tourist establishments of any designated area? Does the hon. Minister not feel that there is any particular area that is over-populated? He merely said that this was a problem and yet it would appear to me that the only way that he could control it would be through the licensing; and he tells me that no licenses have been refused. Could he tell me how they are prescribing the number of establishments?

Hon. Mr. Cathcart: Well, maybe I misunderstood. There have been applications to establish refused.

Mr. R. C. Edwards: The hon. Minister just told me they had not been refused.

Hon. Mr. Cathcart: Are you speaking of north-western Ontario, or just down in the southern part—in the highly developed areas?

Mr. R. C. Edwards: Mr. Chairman, if I might elaborate: I am speaking to the recommendations contained in this submission of

which I am sure the hon. Minister is aware. I will endeavour to make it more clear if I can.

Hon. Mr. Cathcart: Which recommendation?

Mr. R. C. Edwards: I have just referred to this submission, Mr. Chairman. It is the submission of the joint board of Ontario travel associations regarding the Ontario tourist industry, to the legislative committee on travel and publicity. Has the hon. Minister not seen this report?

Hon. Mr. Cathcart: Oh, yes, of course.

Mr. R. C. Edwards: Well, then I am sure if the hon. Minister has seen this report he is aware of the contents. I am sure he is aware of the fact that this group has pointed out to the government that this is becoming a problem, and I think he is likewise aware of the portion of the report contained on page 7, section 2; it merely says that The Department of Travel and Publicity enforces section 2 1(j) of The Tourist Establishment Act. Now I have read that portion of the Act to the hon. Minister and I am asking him how he is going about enforcing it. It appears to me that it is not being enforced from the answer that I have received thus far.

Mr. Chairman: On vote 102?

Mr. R. C. Edwards: Oh, just a minute, Mr. Chairman, I think I am entitled to an answer to the question. I have asked it twice now to try and clarify it.

Hon. Mr. Cathcart: I recall this was discussed again when I was up at the Northern Tourist Operators Association on Monday. It is a matter of great concern to the present operators throughout this province lest it become over-populated. In the north and northwestern part of Ontario, insofar as I know, there is no over-population by resort operations—motels and so on, unless it might be adjacent to a populated community; and I would not say they were over-populated because of the increase in the influx of people.

I have spoken to no one during this past year who is directly connected with the tourist business, who did not tell me they had a good year and they made money last year. I do not think we are over-populated.

I think the matter you are discussing, or bringing to my attention as a result of the submission which was made, was the concern on the part of some of our operators who enjoy what you could call a wilderness area;

at least they have their operation out in a part of the province where there are not too many other operations. Some of them are quite anxious that we do not approve too many licences for establishments in that particular area of the province lest it become over-populated.

Well, there is the story. They are concerned about the zoning; we are controlling it in co-operation with Lands and Forests. That is that.

Mr. R. C. Edwards: Apparently I have not yet made myself clear to the hon. Minister. Just so that he will be aware of what I am trying to say, I hope you will permit me to read two paragraphs of this brief to which I have been referring and which I think sets out the situation and which is somewhat contrary to the opinion of the hon. Minister—

Hon. Mr. Cathcart: It has been taken care of to the satisfaction of our joint board of associations.

Mr. R. C. Edwards: Mr. Chairman if you allow me to continue I would read, sir, on page 6 of this submission which was forwarded to all members of the committee:

Therefore the peace and quiet and relaxation desired by both tourist and private summer cottage alike is in many areas no longer available and this is having an adverse effect on the tourist industry.

I stop here, Mr. Chairman, long enough to tell you that this is contrary to the information that has just been given us by the hon. Minister. I continue to read:

Also in these areas, which are fast becoming overcrowded, the introduction of bigger and faster boats and motors are creating a hazard to personal safety. A recent survey by the Canadian Government Travel Bureau indicated that 30 per cent of the non-resident tourists use a boat for all or part of their vacation in Canada, and it is safe to assume that an even greater number of residents also use boats during their vacation.

While Ontario has more than enough waterways to accommodate the fast-growing multitude of boats, they are being crowded into the more popular areas of the province, hence the urgent need for tourist population control in these areas.

With the building of bigger and better highways in northern Ontario plus the increase in non-resident tourist traffic and the vast increase in the population of

Ontario, there is a tendency towards greater overcrowding of presently established tourist and private cottage areas.

Not only is this condition depriving these people of the peace and quiet of a restful vacation, it is also creating a greater pressure on our fish and wildlife resources than they can stand, and therefore the future of the tourist industry in such areas is being greatly jeopardized.

Mr. Chairman I would just say this and I will leave this issue. It has become clear, in my mind anyhow, that nothing is being done by The Department of Travel and Publicity to alleviate this situation. It may be they feel that nothing should be done, but I point out to the hon. Minister that this is a submission from a responsible group of people. It seems to make some sense to me and I think that the hon. Minister should give some thought toward taking action to correct this situation at an early date.

Hon. Mr. Cathcart: Well I am sorry; I think the hon. member was talking about one matter and I was talking about another. What he has just read, I would gather from the submission, is concerned with the number of cottages that are being constructed along our lakes and because of new highways that lead into them and so on, and of course that is a matter for Lands and Forests. Our job is the approval of licences to establish on the part of resort operations, outfitters camps, and so on. In that submission, hon. member will note—I paid particular attention while he was reading it—that I think they were referring there to cottage establishments of private individuals.

Mr. R. C. Edwards: Not quite. The hon. Minister is partially correct. It is a matter for The Department of Lands and Forests and the submission so states. It says in subsection 1 that the establishment of new commercial tourist camps continues to be controlled through The Department of Lands and Forests, but I would point out, sir, that The Tourist Establishments Act comes under the hon. Minister's department I understand, and they also suggest on the next section that this section of the Act which is now in existence be enacted and controlled through his department and I suggest that this is not a matter for any other department but The Department of Travel and Publicity.

Mr. J. Trotter (Parkdale): Mr. Chairman, before we pass on, I would just like to ask one or two questions about the roadway and

the tourist area in general on the north shore of Lake Superior.

I took this trip this summer; I have taken the advice of the hon. Minister's department to see Ontario first, so I have a very accurate idea of what it is like. But one observation I would like to make, Mr. Chairman, is that the accommodation is obviously not nearly adequate to take care of the tourist people who will be going through that area that I went through this summer.

My first question, Mr. Chairman: is the government doing anything to assist the tourist industry in order to provide more adequate accommodation in that area?

Hon. Mr. Cathcart: Mr. Chairman, in answer to the hon. member's question—first of all we did issue a special publication last year that we got out in a bit of a hurry, to let the people know generally that when they attempted to make that trip they should not look for the best of accommodation. In fact it was pointed out they might have trouble because of insufficient accommodation. But I was up there the first of this week and I was told by our inspector who serves from Wawa down to the Sault that in that section 28 new establishments are being opened up. The first 19 new licences have been issued and the other nine will be issued very shortly; the premises are under construction, so that the accommodation is being added to very quickly.

Lands and Forests are endeavouring to be careful in the sale of land and the kind of accommodation that is proposed there and they tell me some of it is very elaborate. Two establishments up at Wawa, which I have not seen because they are newly built, are just tremendous. They will open your eyes when you go up there. So I think the accommodation is being taken care of and I hope by next year—

Mr. Trotter: Well, Mr. Chairman, there are two things I might be able to inform the hon. Minister on this. He may be sending out literature but certainly the American tourists who are going through there are not aware of it. Some of them might be but I heard an awful lot of complaints and certainly they are going to carry these complaints back to their homes, so that adverse advertising will not do the north shore of Lake Superior any good.

The highway has been in the process of being built for so long, surely some planning could have been done by the government in assisting the private tourist operators. Once again reference should be made to a

fund that should be made available to the tourist industry to help them provide the accommodation that is needed up that way.

One other thing I would like to ask the hon. Minister and which would also affect the hon. Minister of Highways, concerns signs up this way. I understand that it is the policy of The Department of Highways not to permit too many signs in order to preserve the wilderness effect. I admit this is a good idea, but let me give one instance of how far that policy can be carried to make it appear foolish in some instances.

One of the better accommodations by Fort William—going south from Fort William—is not allowed to put up a sign; in fact they are only permitted to put up signs so many feet from their entrance and at this particular place if they measured the required footage their sign would end up in the middle of a stream. As a result they had no sign up.

The man who owns this particular place tried to fly two Canadian ensigns by the entrance and he was ordered by the department to take down the Canadian ensign. He told the department if they wanted to take the flags down they could come and do it themselves; the last I heard the flag was still flying.

The tourist industry is never going to be helped unless advertising is permitted to some extent. I do not think they should carry it to the extent seen on the south shore of Lake Superior; you can hardly see the lake in some places, the way the Americans have got their big billboards up, but we have carried it to the other extreme. As a result the tourist industry is hampered and I can certainly supply names to the hon. Minister of Highways of people who have been put to great hardship in obtaining customers. One way of getting around it is for the man who owns a camp to put a sign on his car, park the car on the highway and in that way indicate to the traveller where the camp is. It is only by getting around the law in this way that they can advertise. I would ask the hon. Minister to bear this in mind.

Hon. Mr. Goodfellow: Would the hon. member send me all this information as quickly as possible so that we can take it under advisement immediately?

Mr. Trotter: Yes, because you take things under advisement for so long and I figure if I send it to you now, you might do something just before the next election. I have one question, Mr. Chairman, regarding the

ferry leaving Manitoulin Island going to Tobermory. The ferry service there is terrible.

One American had arrived at 10 o'clock in the morning to get the 11 o'clock ferry. He could not make it and was there at 7 o'clock when I arrived that evening. This is a common occurrence at the Tobermory ferry and I was wondering, seeing that there are going to be so many Americans coming down from the north shore of Lake Superior to Manitoulin Island, if there is any prospect of improving the services of the Tobermory ferry.

Mr. A. H. Cowling (High Park): Mr. Chairman, the hon. member wants an answer about the ferry and I am qualified to give an answer. I have been travelling back and forth on this ferry regularly for the last 14 years. If the hon. member will listen to this he will learn something about the Manitoulin Island ferry.

For the benefit of the hon. member, it is called Tobermory, it is a beautiful Irish name, it is like the Lakes of Killarney, and that song—"How are things in Gloomorra?"

Mr. Trotter: What about the ferry service? Let us get into that.

Mr. Cowling: I am going to get around to that. They have two ferries up there. There is one called the "Norisle," Mr. Chairman, and this carries about 50 cars. It is on regular schedule and leaves Tobermory at 7 o'clock in the morning and at 3 o'clock in the afternoon. Then on the weekends, when they are a little busier, they put a smaller ferry on, it is called the "Norgama" and it takes 14 cars.

Very often during the busy season, and particularly on the weekend of July 4, the Independence holiday in the United States, and our July 1, they are extremely busy. They are very busy on the first Monday in August which is civic holiday throughout the province of Ontario. But at other times, and certainly during the week, the ferry service is quite adequate.

When you stop to consider, Mr. Chairman, that in order to build a larger ferry—as a matter of fact, consideration was given at one time to taking over one of the ferries that ran across the Straits of Mackinac. They are much larger ferries, they carry up to 80 and 100 cars, but they cost \$1 million. Now, you cannot have a \$1 million ferry running between Tobermory and South Baymouth, to take up a little bit of slack on those two heavy weekends.

The ferry starts to run about May 1 and it runs until after the hunting season in November. It makes thousands of trips across that strip of water, and with the exception of these two or three weekends with which I am very familiar, Mr. Chairman, because I have arrived there several times myself and had to wait for the next ferry, the service is adequate.

At the same time this situation is a great boost for business in Tobermory. The local restaurants are full of tourists enjoying the sandwiches and other things that are there. For the convenience of the tourists we also have a first-class liquor store there where they can go and spend some time if they wish, and a brewers' warehousing, and so on.

The same thing applies on the South Baymouth side. There are many beautiful attractions to see close to the dock. They can tour around and have a picnic and really, for the number of hours—

Mr. Trotter: Catch fish, too!

Mr. Cowling: Yes, lots of fish right off the dock on either side. Spend the hours whiling away the time and fishing and learning about the great province of Ontario.

I would like to say for the benefit of the hon. member that the ferry service, although not completely adequate on the two busy weekends, takes care of the traffic back and forth. Some day, when the tourist business gets up to where the hon. Minister of Travel and Publicity (Mr. Cathcart) would like to have it, there might be a call for another ferry, but certainly there is not up to now. I would suggest that next year, when the hon. member for Parkdale (Mr. Trotter) takes his tour of the north country, he should try it again, and I suggest he hit it about Wednesday.

Mr. Trotter: Too long a wait!

Mr. E. W. Sopha (Sudbury): Mr. Chairman, I was very interested in the remarks of the hon. member for Parkdale about the incident of the flag. All I can say is that it is very fortunate that the hon. member for Dufferin-Simcoe (Mr. Downer) did not hear about that incident or that would have been in his platform and the results of the recent contest might have been different.

The other week, sir—I adverted to this matter in the House yesterday when the hon. Minister was absent, no doubt due to the pressure of the onerous responsibilities of his office—I asked the hon. Minister of Lands and

Forests (Mr. Spooner) about the fires in the Sioux Lookout area. Many of the fine people of Kenora, and they are all fine people up there, earn their livelihood through the tourist industry. Particularly is this so in the Sioux Lookout area where there are many excellent lodges which cater, as does the whole riding of Kenora, generally speaking, to the large influx of tourists that come from the mid-western United States. I might say I was rather surprised, just dwelling on Kenora for a minute, to see how much farther advanced—I say it without seeking any invidious comparisons at all—the tourist industry is in north-western Ontario compared to northeastern Ontario.

I can see, sir, that these vigorous enterprises in the northwest are indeed aware of the gains and the profits of individual initiative—and I do not want to offend my friends to the left when I talk about individual initiative—that can be had from the cultivation of the large number of people that come across from the United States.

Now, sir, I was told by tourist operators in Sioux Lookout, and I do not come armed with affidavits—that is not the fashion this year, last year was the year for affidavits—they told me that when the fires were raging in that area that the closest they got to the town of Sioux Lookout was some 35 miles. As anyone who has lived in the north or been in the north will know, 35 miles means that several ranges of hills or mountains probably separated the fires from the town. They told me that at the height of the hazard The Department of Travel and Publicity used the devices of the media of communication, newspaper and radio, to inform American tourists to stay away from the Sioux Lookout area. They did; with the consequent loss—an injurious loss—of a great deal of revenue during that period.

I could hardly believe that the department working in conjunction with the other department of government would make such a silly assertion if it had not first informed itself of the facts of the case. Surely there must have been in that area a representative of the department, or at least some means of communication with The Department of Lands and Forests, to see what the forest fire situation was when it was at its worst in the month of July. I would take it that in the future that the hon. Minister ought to attend, or his officials ought to attend—well, never mind the officials, the hon. Minister is responsible—to a better funnelling of communications and information when forest fires are encountered so that no such loss will be felt.

I might as well go on to the second thing that I want to say, and it is all I want to say in the estimates of this department.

I think the efforts of the hon. Minister will be largely in vain. This may have been said earlier in this debate and forgive me, Mr. Chairman, as will, I hope, all other hon. members in giving me their kind indulgence, but I repeat, I think his efforts will be largely in vain in trying to sell the province of Ontario and particularly the northern parts of the province of Ontario as a haven of rest, relaxation and recreation to visitors, particularly from the United States, until something is done about our silly, stupid, hypocritical, disgusting liquor laws so far as they affect the rights of tourist outfitters to supply their guests.

Now we, at least, on September 26—I believe I am correct—we came out with our policy statement of what this party will do when it is elected in relation to the liquor laws. I am not going to repeat that policy statement, I would be out of order, sir, if I did.

We waited expectantly, with bated breath, you might say, to hear what the Conservative Party was going to do about the liquor policy when it had its recent large gathering at Varsity Arena. They were completely silent; and as a matter of fact, this may be referred to here, if I am permitted; we are told that at the time they were so engaged—that they were so obsessed with picking the new leader of the party—that the most they could ever muster at a policy-making conference was 50 souls—50 souls; even with the stellar attraction of the mayor of Ottawa, who was ready to take on Fred Gardiner and all the rest of the old guard, and the hon. Attorney-General (Mr. Roberts) will tell hon. members who they are.

Hon. Mr. Yaremko: If the hon. member will ask the hon. leader of the Opposition's (Mr. Wintermeyer) assistant, he will tell the hon. member how many were present, if he can count in the thousands.

Mr. Sopha: We said—to get back to this department—that in the realm of tourist outfitters that we would adopt a sensible policy. I say that the hon. Minister's efforts are largely in vain until the time comes when he will look upon these citizens who operate the tourist lodges and recognize them as responsible and law-abiding people and give them the responsible right to supply liquor to their guests.

Let me give a typical example. At Gogama, Gogama is a hamlet on the C.N.R. some

150 miles northwest of Sudbury, there is a tourist lodge on Lake Mattagami—the head waters of the great Mattagami River which flows northward into the James Bay watershed—a large lake some 25 or 30 miles long. There is a tourist lodge there operated by a person from Ohio by the name of Rowlands. He came up there as a fisherman for relaxation, he fell in love with the country—that is easy to do—and he decided that he and his wife would establish a tourist lodge and they would thereafter every summer, six months of the year, live amid the beauties of northern Ontario.

The first year in which he was in operation, in came a party of his friends from Dayton, Ohio, or Ashtabula, or some other place down there. If hon. members knew Gogama they would know that geographically they are isolated, as in a desert, by some 150 miles from the nearest lawful dispensary of spirituous beverage. These people came in and said: "Bill, have you got something to drink for us?"

"Well, no, I have not, I am sorry."

"Well, we would really like one."

"Maybe I will drive into town and get you one."

I will not name the official, but an official of one of the departments of government, he would be the leading citizen of the hamlet, such a person, he has the imprimatur of the government—he works for the government—Rowlands goes into town to this official and he says: "I have friends out at the camp, would you lend me a bottle?"

"Fine, sure, take it," was the reply.

Rowlands takes it and he goes out and he gets into his truck, puts the bottle in the glove compartment and starts to journey back to his camp some 10 to 12 miles distant. Lo and behold—it is not moose season but he hears something that sounds like the call of the mating moose—the siren of the provincial police cruiser.

He pulls Rowlands over to the side of the road and says: "You have got a bottle in the car?"

"Yes, I have."

"Where did you get it?"

"I got it from Mr. X."

"Give it to me."

He does not know what this is all about but the fellow is in uniform and he has to give him the bottle. The next day the provincial policeman arrives at his camp and hands him a summons, illegal possession of liquor, 89(1) of The Liquor Control Act.

He says: "You can plead guilty to it and I can change it to 43(1), liquor in a place other than a residence. Give me \$16.50 and that will be the end of it."

Now if the time ever came—here is the horrendous part of it, here is the really stark proportion of the government's policy, the policy which you as a member of the government, pardon me, Mr. Chairman, the policy that the hon. Minister supports by being a member of the government—if they ever did relax the right to supply guests and to keep spirituous beverages on the premises, under the present system of the liquor licence board that man having been convicted or pleading guilty to an offence under The Liquor Control Act, could not get a licence in the future.

He was not in the courts. He innocently went and got a bottle. The policeman—doing his duty—confiscated the bottle; was judge, jury and executioner; took the \$16.50.

What is the result of it? I have said before, and I do not coin any phrase: the government makes honest, law-abiding citizens break the law, makes them into bootleggers. They have to be bootleggers, because people are not going to journey from Minnesota, Pennsylvania, New York or far distant points; they are not going to journey on a holiday seeking rest and relaxation and recreation, and thereby become abstainers, sir. They are not going to give up their drinking habits.

All we ask on this side—and the hon. Minister will remember, and perhaps I have the ear of the hon. Prime Minister and perhaps I do not—this is the era of the new broom. There is a new leaf and the hon. Prime Minister who preceded him told us two years ago, he told this House, that they would try. In a few instances they would give tourist outfitters the right to purvey spirituous beverages. He promised that.

Hon. Mr. Cathcart: Generally speaking, as history will record, that has been done.

Mr. Sopha: As history will record? Well, it is not being done.

Hon. Mr. Cathcart: It is, and I could name the hon. member the places if I felt like it.

Mr. Sopha: It certainly is not being done. The problem is greater than that. If a person has the physical plant, if he has invested his money in it, he has faith in his enterprise. If he and, as in most cases, his wife and family are ready to take this on as their life-work to earn their living, that person by the very nature of his appearance,

of his activity, has demonstrated that he is responsible enough to be able to handle liquor and purvey it responsibly to those who come and give him the custom of their business and seek the benefits and privileges of the inn which he keeps.

That is what he is, he is an innkeeper. An innkeeper in the historic and common sense of the calling.

One of the qualities historically of an inn was that the traveller, the weary traveller or the guests who stayed there, could have all the benefits of the house including the partaking of a glass of spirituous beverage.

I only take the time of the House, I only exercise my own vocal chords because I see the imponderable good sense of it, that we should, in this province, put aside some of our puritanical notions. The government which yet has the responsibility of office should begin to realize that public sentiment is not what it was a generation ago, that people are more broadminded now. They view liquor—well, at least we in Sudbury, view it—with more broadmindedness than perhaps the hon. member for St. Andrew (Mr. Grossman) does.

Hon. Mr. Grossman: Tell it to the hon. member's candidate in Eglinton.

Mr. Sopha: We will, sir. Life is full of surprises; the hon. Minister may be surprised in Eglinton.

An hon. member: Is it carried?

Mr. Sopha: No, it is not carried because they have not changed their liquor policies. Not carried at all.

The hon. member for York Centre (Mr. Singer), who always is alert to developments, reminds me of the tourist who was arrested, convicted and fined for drinking beer in the environs of his tent away back in the bush, as I recall it. How silly can the laws get?

I make my final plea, I ask this government. Our approach to the hon. Prime Minister is going to be that we assume him to be a broadminded man and he is going to revolutionize the life of this province. We are going to believe that about him until he demonstrates he is just like the one that just left.

An hon. member: The hon. member has great faith.

Mr. Sopha: Yes, I have great faith. I am optimistic and I do have great faith in human nature.

Hon. Mr. Robarts: Imponderable good sense! Mr. Chairman, I wonder if the hon. member would tell me what imponderable good sense means?

Mr. Sopha: That can be found in all of the publications of the Ontario Liberal Association.

Vote 2101 agreed to.

Mr. R. C. Edwards: Mr. Chairman, I have one question which I would like to ask the hon. Minister who is responsible for this department and I am prepared to ask it or I am prepared to leave it until a further day, at your suggestion. I know it is now 6:00 o'clock.

Hon. Mr. Robarts moves that the committee rise and report certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, in moving the adjournment of the House, on Thursday afternoon we will go on with these estimates and any of the orders on the order paper—there are not very many—and the Throne Speech.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6:04 o'clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, December 7, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 7, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery, Northview Heights Collegiate, Willowdale and Havergal College, Toronto. In the west gallery Ryerson Public School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Clerk of the House: The following petition has been received:

Of the corporation of the township of Nepean praying that an Act may pass relating to imposition of sewage and water rates.

Mr. Speaker: Presenting reports by committees.

Mr. W. G. Noden from the standing committee on standing orders presented the committee's second report which was read as follows and adopted:

Your committee has carefully examined the following petitions and finds the notices, as published in each case, sufficient:

Of the corporation of the town of Hearst praying that an Act may pass vesting certain lands in one Joseph David Levesque.

Of the corporation of the town of Orillia praying that an Act may pass enabling it and the Orillia Water, Light and Power Commission to require owners of lots in subdivisions to assume and pay their respective equitable share of the cost of such improvements before being entitled to the benefit thereof or obtaining a permit to construct a building thereon.

Of the corporation of the city of London praying that an Act may pass refunding certain taxes on the premises of London Little Theatre; and for other purposes.

By Metropolitan United Church, Toronto, praying that an Act may pass enlarging a

trust to enable it to engage an organist who is a graduate of a Canadian institution entitled to grant degrees in music and who holds a Fellowship in the Royal Canadian College of Organists.

Of the corporation of the town of Oakville and the corporation of the township of Trafalgar praying that an Act may pass defining an area, in the new municipality created by the amalgamation of the township and the town, comprising all that part of the said new municipality lying south of the Upper Middle Road; and for related purposes.

Of the corporation of the city of Ottawa praying that an Act may pass authorizing the necessary action for a re-development proposal for part of the city of Ottawa; and for other purposes.

Of the corporation of the city of Windsor praying that an Act may pass authorizing the inclusion on the Board of Governors of the Metropolitan General Hospital of a member appointed by the Essex County Council; and for other purposes.

Of the corporation of the united townships of Medora and Wood praying that an Act may pass authorizing the division of the township into three wards and the election of the council by wards.

Of the corporations of the county of Essex, the town of Leamington and the Public Utilities Commission of the town of Leamington praying that an Act may pass to confirm an agreement for the supply of water and the furnishing of fire protection to the Sun Parlour Home for Senior Citizens.

Of the Ontario Registered Music Teachers' Association praying that an Act may pass providing for a head office for the association and increasing the council to not more than fifteen.

Of the corporation of the Sudbury High School District Board praying that an Act may pass authorizing the execution of an agreement with the Neelon-Garson and Falconbridge District High School Board relative to the operation and maintenance of schools outside the jurisdiction of the Sudbury board; and for related purposes.

Of the corporation of the town of Richmond Hill praying that an Act may pass re-constituting the council.

Of the corporation of the city of Hamilton praying that an Act may pass respecting charges for laying and repairing water service pipes from the main pipe to owners' premises. Supplementary petition of the corporation of the city of Hamilton praying that an Act may pass relating to assessment of cost of private drain connections and to permit licensing and regulating use of untravelled portions of the highways.

Of the corporation of the township of Etobicoke praying that an Act may pass providing that the provisions of The Public Parks Act shall not apply to the township.

Of the corporation of the city of Hamilton praying that an Act may pass incorporating the board of governors of the Hamilton Civic Hospitals; and for related purposes.

Of the corporation of the township of Toronto praying that an Act may pass respecting payment for services installed in advance of development of land.

Mr. A. F. Lawrence from the standing committee on legal bills presents the committee's first report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill 14, An Act to amend The Bailiffs Act.

Bill 15, An Act to amend The Coroners Act.

Bill 16, An Act to amend The Crown Attorneys Act.

Bill 17, An Act to amend The Devolution of Estates Act.

Bill 19, An Act to amend The Fire Marshals Act.

Bill 20, An Act to amend The Jurors Act.

Bill 21, The Legitimacy Act, 1961-62.

Bill 22, An Act to amend The Master and Servant Act.

Bill 23, An Act to amend The Mechanics' Lien Act.

Bill 25, An Act to amend The Reciprocal Enforcement of Maintenance Orders Act.

Bill 27, An Act to amend The Summary Convictions Act.

Bill 28, An Act to amend The Trustee Act.

Your committee begs to report the following bill with certain amendments:

Bill 18, An Act to amend The Division Courts Act.

Mr. A. W. Downer from the standing committee on health and welfare presents the committee's first report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill 29, An Act to amend The Dentistry Act.

Bill 30, An Act to amend The Sanatoria for Consumptives Act.

Bill 31, An Act to amend The Air Pollution Control Act.

Bill 32, An Act to amend The Cancer Act.

Bill 35, An Act to amend The Public Health Act.

Mr. Speaker: Motions.

Introduction of bills.

THE DEPARTMENT OF LABOUR ACT

Hon. W. K. Warrender (Minister of Labour) moves first reading of bill intituled, An Act to amend The Department of Labour Act.

Motion agreed to; first reading of the bill.

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, the purpose of this bill is to create the Ontario Safety Council. Before saying anything further about it I should like to make a short explanation.

Hon. members will remember that a Royal Commission on Industrial Safety was established under the chairmanship of His Honour Judge P. J. McAndrew, on April 7, 1960. Their terms of reference were:

to inquire into and report upon all statutes and regulations administered by The Department of Labour that govern the safety of workers with a view to the improvement, simplification, clarification and modernization of such statutes and regulations.

The commission held a number of public meetings at Toronto, Windsor and Port Arthur. It heard evidence from 118 witnesses and studied 160 briefs and exhibits.

The report of the commission was submitted to the government on October 16 this year, just seven weeks ago, after 18 months of hearings and deliberations.

The recommendations of the commission have been studied and considered by myself and members of my staff and we have come to the conclusion that by establishing the Ontario Safety Council at this time we shall have the advantage of its advice and consultation in dealing with the many aspects of safety considered by the Royal commission.

I want at this time, Mr. Speaker, to express my appreciation for the exhaustive report the commission has submitted to the government.

I would also, at this time, like to place on record my personal thanks to His Honour Judge McAndrew and the two commissioners, Dr. J. Danvers Bateman and G. Russell Harvey for the enthusiasm with which they attacked the task assigned them by the government and for the sincere desire they have shown to bring down a report which will assist the government in planning legislation in the field of safety.

In their report the commission said that although Ontario may well feel proud of its legislation and splendid administration for workmen's compensation and rehabilitation following an accident, the area of greatest importance is, and will remain, accident prevention, and safety legislation enactment.

We have responded with the bill I now present to the House, Mr. Speaker, for the establishment of the Ontario Safety Council.

The membership of the council, which will be announced as soon as possible, will comprise representation from labour and management and from the medical, engineering and other professions. It is my thought that the council should be representative of all groups who are vitally concerned with the growth and welfare of our industries and of the people who work in them.

The Ontario Safety Council will be directly responsible to the Minister of Labour. The council will inquire into and advise on any matter concerning the safety of workers in Ontario.

The council will also inquire into and report upon any statute or regulation dealing with safety with a view to the improvement, clarification and amendment of any statute or regulation which will facilitate and co-ordinate the handling of any matter governing or concerning the safety of workers in this province.

The establishment of the Ontario Safety Council is proof that this government is prepared to go forward in the field of accident prevention. Through the Ontario Safety Council we will be able to co-ordinate effectively accident prevention work with the

enforcement of safety legislation and with the extensive field of voluntary safety effort that now exists.

May I, Mr. Speaker, in conclusion, re-emphasize an important finding of the Royal commission:

Safety consciousness cannot be imposed. Attitudes cannot be legislated. Public interest, education, integration of effort and inspiration are the keys to future progress above and beyond the basic legislated minima of safety requirements.

Mr. K. Bryden (Woodbine): Mr. Speaker, would the hon. Minister (Mr. Warrender) permit a question?

In view of the compliments which the hon. Minister quite properly paid to the Royal commission on its very fine work, I wonder if he would indicate to the House why he has not been prepared, to date at any rate, to accept its urgent recommendation for immediate enactment of a construction safety Act?

Hon. Mr. Warrender: Mr. Speaker, may I say in reply to the question that I consider the setting up of the safety council the very essence of the report itself. I feel that the construction safety Act will come a little later when the council members themselves have had an opportunity to look into the whole situation.

I should rather, Mr. Speaker, delay this matter a short time in order to be sure we are on the right track, than rush into something which we may have to change later, because it was not properly planned, or all provisions were not made for those things which may be recommended by the council itself.

Mr. D. C. MacDonald (York South): The department has been stalling for years.

Mr. R. C. Edwards (Wentworth): My question to the hon. Minister deals directly with the statement he made today. Will the annual report of the safety council be tabled regularly in this Legislature?

Hon. Mr. Warrender: I rather doubt it, Mr. Speaker.

Mr. R. C. Edwards: Was that not a recommendation, Mr. Speaker?

Hon. Mr. Warrender: That was a recommendation, Mr. Speaker, but I am not following some of the recommendations contained in the report.

Mr. MacDonald: Mr. Speaker, may I ask the hon. Minister, by way of clarification, whether this body is to take over the educational work that until now has been carried on by the Accident Prevention Association?

Hon. Mr. Warrender: No, it will not take that over because we feel that those people in the accident prevention field have been doing an excellent job.

There is, however, some evidence of overlapping; there is some evidence that there is not a proper co-ordination of all their accident-prevention functions. It will be one of the functions of the council to co-ordinate those many activities to see that we are, shall we say, getting the full value for the money being spent in that field.

As I think you all know, a large sum of money—approximately \$150,000—is being paid by the Workmen's Compensation Board to the Accident Prevention Association. And because that money comes from the board—and therefore from industrialists—it is felt that, through this council and through proper co-ordination, the money can probably be spent in a much more effective way than at present.

But I still pay tribute to those who are in this field.

REGISTERED MUSIC TEACHERS

Mr. G. E. Gomme (Lanark) in the absence of Mr. J. Morin, moves first reading of bill intituled An Act respecting the Registered Music Teachers' Association of Ontario.

Motion agreed to; first reading of the bill.

THE VITAL STATISTICS ACT

Hon. J. Yaremko (Provincial Secretary) moves first reading of bill intituled An Act to amend The Vital Statistics Act.

Motion agreed to; first reading of the bill.

CITY OF OTTAWA

Mr. D. H. Morrow (Ottawa West) moves first reading of bill intituled An Act respecting The City of Ottawa.

Motion agreed to; first reading of the bill.

TOWN OF ORILLIA

Mr. L. Letherby (Simcoe East) moves first reading of bill intituled An Act respecting The Town of Orillia.

Motion agreed to; first reading of the bill.

CITY OF WINDSOR

Mr. A. J. Reaume (Essex North) moves first reading of bill intituled An Act respecting The City of Windsor.

Motion agreed to; first reading of the bill.

THE CORPORATIONS ACT

Hon. Mr. Yaremko moves first reading of bill intituled An Act to amend The Corporations Act.

Mr. V. M. Singer (York Centre): Mr. Speaker, would the hon. Minister explain generally the principle of this bill?

Hon. J. Yaremko (Provincial Secretary): There are a number of amendments to various sections of the Act, Mr. Speaker.

Section 1 is the clarification of the expression as to the coming into being of a corporation.

Section 2 is a rewording of the section to clarify the intent.

Section 3 is designed to make clear that property of a corporation includes, and always has included, all property of the company, both present and future.

Section 4 is a provision permitting Ontario corporations to continue as if they had been incorporated under other jurisdictions in Canada.

Motion agreed to; first reading of the bill.

THE CORPORATIONS INFORMATION ACT

Hon. Mr. Yaremko moves first reading of bill intituled An Act to amend The Corporations Information Act.

Mr. Singer: Mr. Speaker, could the hon. Minister explain this bill as well, please?

Hon. Mr. Yaremko: These are also various amendments to the Act. The first section provides for the filing of up-to-date information in respect to changes in directorships of corporations. Another section provides for filing of up-to-date information as to changes in authorized capital structure. And two sections provide for extension of the principle of filing of power of attorney—presently in effect in respect of certain corporations—to all corporations in Ontario.

Mr. Singer: If the hon. Minister would permit a supplementary question—Do these directorships that he is talking about, refer to directors of charter clubs as well?

Hon. Mr. Yaremko: They refer to directors of all corporations.

Mr. Singer: And are there penalties for failure to file?

Motion agreed to; first reading of the bill.

THE INCOME TAX ACT, 1961-1962

Hon. J. N. Allan (Provincial Treasurer) moves first reading of bill intituled The Income Tax Act, 1961-1962.

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, this Act imposes a tax on individual residents of Ontario, calculated as a percentage of the tax otherwise payable by the same individuals of Canada under The Federal Income Tax Act. It implements the fiscal arrangements being negotiated between Canada and Ontario, for the collection of individual income taxes in Ontario. The Act provides the treasurer with authority to conclude the agreement between Ontario and Canada, whereby Canada will collect—on behalf of Ontario—the taxes imposed by this Act.

This bill replaces The Income Tax Act, 1960-1961 and The Income Tax Agency Agreement Act, 1960-1961 which were passed at the last session of the Legislature. It is designed to conform with the draft bill presented by Canada to all the provinces, as a model that would permit Canada to act as collection agency for the provinces. There is no change in principle between this Act and those Acts which were passed by the Legislature last year.

Motion agreed to; first reading of the bill.

CITY OF HAMILTON

Mr. R. C. Edwards moves first reading of bill intituled An Act respecting The City of Hamilton.

Motion agreed to; first reading of the bill.

METROPOLITAN UNITED CHURCH

Mr. A. F. Lawrence (St. George) moves first reading of bill intituled An Act respecting Metropolitan United Church of Toronto.

Motion agreed to; first reading of the bill.

TOWN OF RICHMOND HILL

Mr. A. A. Mackenzie (York North) moves first reading of bill intituled An Act respecting The Town of Richmond Hill.

Motion agreed to; first reading of the bill.

TOWNSHIP OF ETOBICOKE

Mr. W. B. Lewis (York-Humber) moves first reading of bill intituled An Act respecting The Township of Etobicoke.

Motion agreed to; first reading of the bill.

TOWNSHIPS OF MEDORA AND WOOD

Mr. R. J. Boyer (Muskoka) moves first reading of bill intituled An Act respecting The United Townships of Medora and Wood.

Motion agreed to; first reading of the bill.

SUDBURY HIGH SCHOOL DISTRICT

Mr. Boyer moves first reading of bill intituled An Act respecting Sudbury High School District Board.

Motion agreed to; first reading of the bill.

CITY OF LONDON

Mr. J. H. White (London South) moves first reading of bill intituled An Act respecting The City of London.

Motion agreed to; first reading of the bill.

ESSEX, LEAMINGTON PUBLIC UTILITIES

Mr. G. W. Parry (Kent West) moves first reading of bill intituled An Act respecting the county of Essex, the town of Leamington and The Public Utilities Commission of the town of Leamington.

Motion agreed to; first reading of the bill.

OAKVILLE AND TRAFALGAR

Mr. J. F. Edwards (Perth), in the absence of **Mr. S. L. Hall (Halton)**, moves first reading of bill intituled An Act respecting The Town of Oakville and Township of Trafalgar.

Motion agreed to; first reading of the bill.

TOWN OF HEARST

Mr. R. Brunelle (Cochrane North) moves first reading of bill intituled An Act respecting The Town of Hearst.

Motion agreed to; first reading of the bill.

TOWNSHIP OF TORONTO

Mr. A. H. Cowling (High Park), in the absence of **Mr. W. G. Davis (Peel)**, moves first reading of bill intituled An Act respecting the Township of Toronto.

Motion agreed to; first reading of the bill.

Mr. J. P. Spence (Kent East): Mr. Speaker, before the orders of the day I would like to ask a question of the hon. Minister of Highways (Mr. Goodfellow) in regard to an article in the *London Free Press* dated December 1, 1961, in which the Deputy Minister of Highways announces that that portion of Highway 401 between Tempo and Tilbury will be a two-lane highway. It is also stated that plans are in the offing to expand the Toronto by-pass to 12 lanes.

Inasmuch as the government has promised on various occasions to complete this four-lane superhighway, why has it been announced that only one half of certain portions are to be paved at this time?

Hon. W. A. Goodfellow (Minister of Highways): Mr. Speaker, in reply to the question from the hon. member for Kent East (Mr. Spence), I may say that I have heard a good deal about this in the past two days. There has been a great deal of discussion, particularly in southwestern Ontario. This is quite natural realizing their keen interest in this highway which is being constructed across the province—the great freeway which when completed will be the longest continuous freeway in the world. I think that is worth just considering.

I note that Mr. Fulton, the Deputy Minister, according to the press made this statement in London. What Mr. Fulton said was that the highway would be open to traffic in the fall of 1963. It is not physically possible to complete the four lanes by the fall of 1963.

We could hold back the highway—the opening of the two lanes, and open the four lanes in 1964, if the hon. member for Kent East thinks it is desirable to have all four lanes opened at once. We can either open two lanes in 1963 or four lanes in 1964.

We intend to proceed with the paving of the other two lanes just as soon as it is possible.

I would like hon. members to realize that there are parts of this four-lane highway which it is estimated will be carrying less than 6,000 vehicles a day. The area of some 55 miles in length about which the hon. member is asking the question, is one strip on which it is estimated there will only be 6,000 vehicles a day. There is another strip of 55 miles in eastern Ontario on which the estimate is about 6,000 vehicles a day. This is not very much traffic on a four-lane highway.

I assure the hon. member that it is our intention that the programme proceed, but

I do not want to interfere with some other very important highway projects up in the Essex-Kent area in order to push this particular four-lane highway, which may not be required as much as some other highways to let some of the farmers out of the back concessions.

There is another point. It is true it has always been the plan to widen this by-pass of Toronto. Perhaps some of the hon. members read in the newspaper that yesterday there was a tie-up on the 401 by-pass of Toronto over 12 miles in length. It is the intention over a five-year period to develop a 12-lane by-pass at Toronto. I presume by the time that develops, with the growth in this area it will be necessary to make plans for another 12-lane by-pass. It is a matter of where the traffic is heaviest. We have to keep commerce moving across this province; it means a lot to the hon. Provincial Treasurer.

I like this editorial in the *London Free Press* on behalf of the taxpayers of Ontario. This was an editorial in the *London Free Press* on December 4, 1961.

Half a highway is better than none. Before any more district chambers of commerce sound off in indignation over the decision to pave only one half of Highway 401 between Tilbury and Tempo, some thought should be given to The Department of Highways' reasons.

This four-lane route is an enormously expensive piece of construction. It will be the longest superhighway in the world and unlike its counterparts across the border it is toll free. All sections cannot be completed at once. It is now possible to drive from London to a point near Belleville on 401 without encountering a stop light. Other stretches are being paved as quickly as the provincial budget permits.

While the new two-lane section from Tempo to Tilbury may not be all that western Ontario could wish, it will provide a third route to Windsor paralleling No. 2 and No. 3 and will take considerable pressure off those roads in the summer months.

We can have only what we are willing to pay for. Highway 401 will be completed as fast as the budget permits and as soon as it can be justified in view of all other factors. We have fine roads in Ontario, let us be grateful for them.

Mr. P. Manley (Stormont): Mr. Speaker, I wonder if the hon. Minister would allow a supplementary question. He did mention

that there was about 55 miles in the eastern part of the province which would be only paved on two lanes. I wonder if he would tell the House just where that 55 miles is situated in eastern Ontario. Also will he tell the House whether it is the density of motor vehicles on the highway or it is a matter of dollars and cents that the government is not going ahead and finishing the four lanes at this time?

Hon. Mr. Goodfellow: Mr. Speaker, I assure you I am not an authority on all the highways in the province of Ontario after four weeks as the Minister. If hon. members will give me another two weeks I hope to know all about all the highways in Ontario. I am not an overly intelligent fellow and it takes time for things to sink in.

But I would say that there is about 55 miles in eastern Ontario. I know one strip will be between Marysville and Cataraqui. In 1963 two lanes will be open. The other two are going to be paved as soon as possible. There is another strip, I think, from Cornwall to the Quebec boundary. It is not a matter of money, although that is important, but actually if the traffic density does not warrant a four-lane highway for a year or two, in this area, I think it is much better even to consider a highway from Cornwall to Ottawa.

Mr. Spence: Mr. Speaker, I would like to ask a supplementary question of the hon. Minister of Highways in regard to this change in the building of 401. The hon. Minister has read an article from the *London Free Press*. I wonder if he has read the editorial in the *Windsor Daily Star*, December 2, 1961.

Interjections by hon. members.

Mr. Speaker: Order. Order! I would point out to the hon. members that they may only rise for the purpose of asking questions or asking for information, not giving information.

Mr. R. M. Whicher (Bruce): Mr. Speaker, are you not going to allow the hon. member for Kent East (Mr. Spence) to read the editorial? The hon. Minister gave a fairy story and we want to tell you the truth.

Mr. Speaker: Order! The hon. member asked the hon. Minister if he had read the editorial in the *Windsor Daily Star*, and I heard the hon. Minister answer "Yes."

Mr. R. C. Edwards (Wentworth): Mr. Speaker, would the hon. Minister permit me

to ask a supplementary question? Does he agree with the content of the editorial in the *Windsor Daily Star*?

Hon. Mr. Goodfellow: Sure, I agree with all the editorials.

Mr. Singer: Mr. Speaker, before the orders of the day, I have a question to address to the hon. Minister without Portfolio (Mr. Grossman) of which notice has been given.

This year New Year's Eve falls on a Sunday. Is it the intention of the Liquor Control Board of Ontario to issue banquet permits for New Year's Eve? If not, has the board considered issuing permits for the time commencing at 12:01 a.m. Monday, January 1, 1962? And if not, have any other arrangements been decided upon?

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, I thank the hon. member for giving me notice, but actually he gave the wrong Minister the notice. Banquet permits come under the jurisdiction of the Liquor Licence Board, which reports through the hon. Provincial Secretary (Mr. Yaremko).

However, realizing the extreme urgency of this matter, I immediately took it up with the hon. Minister and I am sure he is ready to give the answer.

Hon. Mr. Yaremko: If the hon. member for York Centre had not been so generously thanked, I would thank him for the question. The answers are as follows: Sunday night banquet permits: no. The answer to the second part: consideration, yes; permits, no. The answer to the third part, no.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, before the orders of the day, I would like to state the reasons for the placing of these beautiful flowers on the desk of the hon. member for York South (Mr. MacDonald). Today, December 7, is the birthday of the hon. member. How old he is, I do not know.

We in our group, of course, are impressed with his vigour, and are very, very proud to have him as our provincial leader. On behalf of our group, we extend to him our best wishes on this his birthday. I am sure I will be joined by every hon. member of the Legislature in the sincere hope and wish of everyone, I think, that he will be an hon. member of the Ontario Legislature for some years to come.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the orders of the day I have a question for the hon. Minister

of Labour (Mr. Warrender), a copy of which has been forwarded to him.

Will the hon. Minister of Labour advise this House what steps his department is taking to facilitate settlement of the strike at the Royal York Hotel?

Hon. Mr. Warrender: Mr. Speaker, I have spoken to representatives of both management and labour in this strike. I intend to speak to both sides again, but at this time I am sorry to say I am not prepared to divulge any details.

Mr. Wintermeyer: Before the orders of the day, Mr. Speaker, I have a question for the hon. Prime Minister (Mr. Robarts), a copy of which has likewise been forwarded.

Newspapers on Tuesday, December 5, indicated that the government intends to appoint a Royal commission to investigate organized crime. I would like to know if that story is true and if so, when will the appointment of the Royal commission be announced?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I have nothing to add to the statement which I made on November 30, relative to the charges made by the hon. leader of the Opposition (Mr. Wintermeyer) which will be dealt with in due course.

Mr. Speaker, before the orders of the day, I would like to draw attention of the hon. members to the statement on their desks concerning the draft bill of November 6, 1961, to be passed by the Parliament of the United Kingdom to permit The British North America Act to be repealed, amended or re-enacted by the Parliament of Canada. If hon. members go through it, the first four pages are the explanation and below that is the bill itself.

This is a bill which will be enacted by the Parliament of the United Kingdom, but in order to bring it before this Assembly and to give everyone a full opportunity to examine it, it is my intention, with your permission, to ask the hon. Attorney-General (Mr. Roberts) to speak very briefly to it before the orders of the day today. We will then leave a copy of it with each of the hon. members and then probably by resolution bring it onto the order paper when we re-assemble after the Christmas recess. It can then be debated after everyone has had an opportunity to examine it and familiarize themselves with it. Hon. members can ask any questions they might have, but I would ask, with your permission, Mr. Speaker, that

the hon. Attorney-General speak to this for a moment.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, the purpose of the bill, which I think is well known to all hon. members, is to bring to Canada full rights to deal with its own constitution for the future and at the same time to provide for the amending procedures of the constitution herein.

I would point out that sections 1, 2, 3, 4 and 6 of the bill, in my view, do not introduce any new principles or make any changes in the present constitutional procedures. Section 5, however, is new.

Section 5 provides that no law made under the authority of this Act affecting any provision of the constitution of Canada not coming within sections 2, 3 or 4 of the Act, shall come into force unless it is concurred in by the Legislatures of at least two-thirds of the provinces representing at least 50 per cent of the total population.

In very simple language, perhaps oversimplification, the entrenched sections remain as they were. At least in my view I should think they do. Some constitutional lawyers might have a different view, but in my view, and I think in the view of the majority of the constitutional advisors of the provinces and the federal authority, they remain the same. But whatever is not in the entrenched sections of The BNA Act today would then be amendable in that manner, by two-thirds of the provinces, representing at least 50 per cent of the population of Canada.

Then section 7 provides for application by the Parliament of the United Kingdom in relation to passing of any laws with respect to Canada. That is in line. The phraseology of this proposed U.K. bill is in line with a number of constitutional bills respecting other Commonwealth countries which have already taken such steps.

The power of delegation—which is new and is, I think, something that is going to be of real value—is dealt with on page 3, 94(a), of this memorandum. First, the power to delegate by the federal authority of any of its powers to at least four provinces. Hon. members can see the provinces divided in Canada—the four western provinces and the four eastern ones and then the hard-core central two. It is conceivable that the four in the west might have some common problem—or that two of those four might have; or four in the east, or two of those four. The whole four provinces would agree so that the delegation could take effect and be effective for one, two, three or all four of them.

We in the central position would have to go a little further afield to our three supporting provinces. But, with that qualification, the bill would give the federal authority power to delegate practically anything to the provinces for as long as the federal authority would wish. The granting authority would have power to revoke this delegation at any time.

The provinces would also have this power. As long as four provinces consent to it, any province would be able to delegate any of its particular powers to the federal authority and revoke that delegation of power in the same manner. I think that future power of delegation may be an extremely valuable one and may tend to make the constitution, in some regards, considerably more flexible. Representatives from the different provinces—I was the representative for Ontario—have returned to their provinces and made their reports, and in due course, as the hon. Prime Minister has said, resolution will be introduced into the House to deal with the matter and have it debated.

Mr. E. W. Sopha (Sudbury): Perhaps we could be told in a word, Mr. Speaker, whether it is necessary for all the provinces to consent to this draft before it is forwarded to the Parliament of the United Kingdom, and whether or not Ontario has consented to this draft.

Hon. Mr. Roberts: No. I thought I made my language clear, especially—

Mr. Sopha: Well, I followed the hon. Attorney-General very closely.

Hon. Mr. Roberts: The federal authority is now presenting a bill which the representatives agreed upon in principle, and which they agreed to take to their respective governments and to recommend their individual approval. That may not apply entirely to two provinces, but that is the general position at the present time. It will eventually require the approval of the great majority—if not all the provinces—to move from that position. I would not say it necessarily requires all, but I would say that—to all intents and purposes—we hope that all will agree. The bill must have an overwhelming majority before it could proceed.

Mr. Speaker: Orders of the day.

House moves into committee of supply, Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF TRAVEL AND PUBLICITY

On vote 2102:

Mr. R. C. Edwards (Wentworth): Mr. Chairman, at the close of the last session we were discussing the matter of 2101, and I was about to ask the hon. Minister whether or not this department maintains a staff of highly trained publicity people. I wonder if the hon. Minister could tell me if this is so, and how many are on the staff.

Hon. B. L. Cathcart (Minister of Travel and Publicity): We have a permanent staff of seven under the direction of Mr. Hogarth.

Mr. R. C. Edwards: Mr. Chairman, since this is a department of publicity—and no doubt these people in this department do specialize in matters of publicity—has any consideration been given to incorporating the publicity releases for all branches of the government, under this one department? It seems to me there might now be considerable duplication. I wonder if the department has considered this aspect of publicity. I totalled the salaries and I noted that close to three quarters of a million dollars of the estimates of this department are spent on staff salaries. If this situation is duplicated through all the various branches of government it seems to me that a considerable amount of money is being spent in this way. Has there been any thought of incorporating it under one department?

Hon. Mr. Cathcart: I would reply to the hon. member, Mr. Chairman, that the director of publicity and his staff do assist—in quite a large measure—the other departments of government. As you can understand, our publicity director has a great deal of information in his office because he is continually writing material on many subjects, but there has been no thought given to centralizing that particular department, or particular branch, as a publicity branch for the government entirely.

Mr. R. C. Edwards: Are there publicity men in the various other departments as well?

Hon. Mr. Cathcart: I would not be able to answer that, I presume there are in most of them. I see from the register that they have a personnel and publicity—

Mr. R. C. Edwards: Mr. Chairman, I find it difficult to understand why the hon. Minister is unable to answer that when he has only

just told me that this particular department's staff worked very closely with various other government departments in preparing their releases.

Hon. Mr. Cathcart: That is right.

Mr. R. C. Edwards: Surely, if they work closely, they know whether or not there are publicity men in these other departments. I think the hon. Minister is being unduly evasive.

Hon. Mr. Cathcart: I do not think I am being unduly evasive and I am sorry that the hon. member should think so. Our director of publicity is approached by the Minister or his deputy or his directors.

Mr. K. Bryden (Woodbine): Or his PR man—

Hon. Mr. Cathcart: Not necessarily. I presume that the other departments approach our director of publicity for the simple reason that they do not have a publicity man specializing in that area.

I explained originally that our director has a great deal of material available and can be helpful in preparing an advertisement that covers a number of subjects. But the Deputy Minister, or the directors of other departments would approach our director asking him, perhaps, to prepare a rough message that they might give in reply; or perhaps they will send over their material and ask our director to include other items that he has available.

As the hon. member will notice, the advertisements—or the material for a message—will often cover a number of subjects. I am not trying to be evasive. That is a fact.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, the estimate for the division of publicity for the forthcoming year is \$868,000. Now according to the public accounts for the year ending March, 1960, we find that the division of publicity spent \$929,169. I do not know what the estimate was for that year, but I am interested in some of the expenditures, particularly in the matter of advertising. One is the McKim Advertising \$133,556; Stanfield, Johnson & Hill \$205,147, and McConnell Eastman & Company \$75,480. I would like to ask the hon. Minister how these contracts are awarded. Are they given so much work to do, and then send in their bill—or is a tender invited? In what way do they arrive at the estimate of the expenditure?

Hon. Mr. Cathcart: Perhaps I had better start with the final question. In the first

place, as I explained last year, the tenders are invited. In other words, the Queen's Printer invites tenders on any particular job. I might also explain that we used to present the total of printing and advertising as one amount in the estimates. We now present them separately so that under "printing" for the coming year, the estimate is \$380,000; under "advertising" it is \$445,000. The point I wanted to make was that it used to be in the estimates as one item and now it is divided; it is split.

Interjection by an hon. member.

Hon. Mr. Cathcart: I am sorry. Was that a question?

In so far as the hon. member has named the McKim Advertising, McConnell Eastman & Co. and Stanfield Johnson & Hill, maybe I could just read this and get it on the record so that it is completely understandable.

We do not deal directly with the publishing companies who produce the magazines and the newspapers nor directly with the radio stations. We place our programmes as approved by us to four advertising agencies, we pay the charges for space and production to the agencies, the agencies in turn acting as our agents pay the publishing companies, the radio stations, etc., after deducting their 15 per cent commission from the total expenditure. We do not pay the commission, I think the hon. member realizes that; actually the magazine or paper pays it.

Mr. Thomas: Mr. Chairman, the direct question I wanted to ask the hon. Minister was this: There was a total of \$929,000 spent that year—the year 1960—of course that would include the election year of 1959, and I was wondering if the expenditure of that year was above the estimate or below the estimate?

Hon. Mr. Cathcart: The hon. member is referring to two years ago?

Mr. Thomas: Yes.

Hon. Mr. Cathcart: That is the latest information we have got for the fiscal year ending 1960. That is all we have. I am reminded that was the year of the Queen's visit and we did—

Mr. Bryden: It was also the year of the election.

Hon. Mr. Cathcart: Yes, it was.

An hon. member: There were an awful lot of advertisements and papers.

Hon. Mr. Cathcart: We had no opportunity to prepare for the visit until we were sure Her Majesty was coming.

Mr. Thomas: You are not quite sure whether that was above or below the estimates?

Hon. Mr. Cathcart: Well, it would be above; yes, that is right.

Mr. J. J. Wintermeyer (Leader of the Opposition): You knew the Queen was coming, you knew the election was coming!

Hon. Mr. Cathcart: Her Majesty of all people should have let me know.

Mr. P. Manley (Stormont): This year we are going to have the northern span of the Cornwall-Massena International Bridge completed. The official opening will be in 1962. I notice in the press that there is a promotion programme going on to develop traffic over the new bridge. In making the announcement, a bridge spokesman identified W. C. Harkman advertising agency of Syracuse, New York, and Rolph Clark Stone Benalack Ltd., of Montreal, as the agencies retained to do the work. The Syracuse company will supervise the public relations account and the graphic arts will be provided by the Montreal firm.

This newest link of the St. Lawrence valley bridge system will be an important route for both tourists and commercial users offering access to the heart of the St. Lawrence Seaway development area and with the power project locks, beaches, boat marina and camping facilities. In addition, the Long Sault parkway, Upper Canada Village, Ottawa and Montreal are within short driving distances.

What I want to ask the hon. Minister at this time is whether they are taking any part whatever in this promotion programme? While I am on my feet, I would also like to ask him, through you, Mr. Chairman, if there is anything in his estimates or in the estimates of Public Works to take care of a new reception centre when this bridge is open or completed?

I might point out to the hon. Minister at this time that the present reception centre is near the present entry into that part of Canada from the States, and I do not think it lends itself as a reception centre at all; but more than that, it is going to be so far out of the way of the travelling public when the new bridge is opened and Highway 401 is completed that the relocation of the centre should be considered very seriously. I would like to have an answer from the hon. Minister as to just what his department is planning

with regard to this programme and also the reception centre in Cornwall.

Hon. Mr. Cathcart: In answer to that we are not taking a particular part in the programme that you have outlined but we are co-operating with those people in support of it. In regard to the reception centre, as I understand it, The Department of Public Works are in the process of dealing with the owners there. The property or the location has been selected and they are in the process of acquiring it.

Mr. Manley: For the new reception centre?

Hon. Mr. Cathcart: We are proceeding with that very quickly. As you have stated there is going to be tremendous traffic across there, particularly because of the St. Lawrence Seaway parks.

Mr. R. C. Edwards: Mr. Chairman, I should like to ask the hon. Minister a question on this matter of publicity. I have here a copy of the latest report of The Department of Travel and Publicity. As I look on pages 11 and 12, I note considerable publications which are published under the authority of this department, together with the distribution of each.

I wonder if the hon. Minister would tell us the cost of each of these various publications? I am particularly concerned with a couple of them. One of them is this publication known as Ontario Government Services. I see that it continues to inform the reader of the services performed by the various departments of government; to which Mr. Chairman, I would say it continues to inform the reader of the various individuals in government, because I have paid particular attention to this publication since I came into this Legislature and it is my opinion that it is used to promote the personalities in the Tory party.

Hon. members: Hear, hear.

Mr. R. C. Edwards: I am amazed that at the back it says the distribution is 105,000 copies per issue. Now, for the life of me, Mr. Chairman, I do not know where they would send 105,000 copies of this publication and do any good! It contains very little information with respect to the services being offered by government. I think that if 105,000 copies per issue are being distributed, they are being used for the Progressive-Conservative Party machine more than for the furtherance of the services of this government.

Would the hon. Minister tell me, generally, where these copies are distributed and would he give me a run-down of the costs of the various publications as set out in this book?

Hon. Mr. Cathcart: Mr. Chairman, I have to take some objection to part of the hon. member's statement that this is a Tory or a political paper. The average open-minded man would realize that it does contain information on services that are rendered by the government. The government, which happens to be seated right here, is responsible and its members have to stand on their own feet for the things that are done in this province. I would like the hon. member to show me a government service paper which has pointedly publicized the Tory Party.

Mr. R. C. Edwards: I have one right here that does.

Hon. Mr. Cathcart: The Tory party? The Tory government, yes. I do not think I have had my picture in the Ontario Government Services paper since I sat in the House with the hon. member a year ago and I am the Minister and I would think—

Mr. A. J. Reaume (Essex North): That is a good idea.

Hon. Mr. Cathcart: Yes, I agree with the hon. member.

I agree with him, and that is one reason I do not have it in there.

But that is a fact, I question if I have been in the paper, although I have unveiled plaques and opened affairs and so on. I am not anxious to get into the Ontario Government Services paper lest hon. members might think that, as the Minister of the department responsible for the publication, I just want to publicize Bryan Cathcart. My job, I feel, is to publicize Ontario through The Department of Travel and Publicity as much as I can, but I am not there to promote Bryan Cathcart.

Mr. Reaume: Or the party.

Hon. Mr. Cathcart: The hon. member asked me about the different publications that were produced through this department. Does he want me to list all of them, because I believe there are some 20 or 25? I would be very glad to give him the list, I would be very glad to give him the quantity that was purchased and the cost as I have it here before me.

Mr. R. C. Edwards: Mr. Chairman, I would be very pleased to have the hon. Minister

send it to me. When he says it does not promote the cause of the Tory party, I would remind him that in one instance there was a notation of the date of a future Conservative party convention. I do not know if he would call that promoting the cause of the party or not.

Hon. Mr. Cathcart: Was that not a matter of great importance to the people of this province?

An hon. member: A very small minority.

Hon. Mr. Cathcart: Would the hon. member like me to send him a copy of this?

Mr. R. C. Edwards: Yes, that is what I said.

Mr. Reaume: What is the hon. Minister smiling about? This is no joke.

Mr. L. Troy (Nipissing): I presume since we are talking on publicity we are on 2102. Are we on 2102?

Hon. Mr. Cathcart: Yes.

Mr. Troy: I noticed as I listened to the hon. Minister in his review of his department that he said his department promotes Ontario at home and abroad. Does he promote it in the other provinces of Canada too?

Hon. Mr. Cathcart: Very much so.

Mr. Troy: In what language then does he send his publications to the province of Quebec?

Hon. Mr. Cathcart: A few years back we started to publish some of our publications in French for their benefit.

Mr. Troy: That is fine. I just wanted to know if his department was also sending out publications in French. Thanks very much.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, in speaking to the estimate on publicity, does the department attempt to sell Ontario to the students in the various schools, to the educational system, at all?

Hon. Mr. Cathcart: I would say yes. We get a great many requests from teachers or principals of schools for some of our publications. Many of them, of course, are produced in a way to encourage other people to come and visit our province. Many of them have a great deal of information in them.

The teachers and principals learn about it

and write to us, and while we cannot send out—if there is a population in a school of 150 we cannot send out 150 of them—we do make a point to send them maybe half a dozen or a few of the publications that they are particularly interested in, so the teacher can make use of them in teaching his class.

Mr. Newman: Mr. Chairman, that just goes to prove that there is no attempt on the part of the government actually to sell Ontario through the school system. They are actually waiting for the schools to request information concerning the province of Ontario.

Hon. Mr. Cathcart: We do have the one publication in particular, called "Ontario History," that is sent out to the schools.

Mr. Newman: I would like then strongly to recommend to the hon. Minister that he attempt to sell Ontario through the school system.

Hon. Mr. Cathcart: The hon. member for York Centre (Mr. Singer), myself and the hon. member for another Toronto riding, did our very best this morning. Did we not, sir? By that I am referring to the two schools that were here in the chamber together with their principals, and all three of us were with them.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I understand the hon. Minister is sending over the cost of Ontario Government Services. I see that there are 105,000 copies issued per month. I wonder if the hon. Minister could tell us where the 105,000 copies go, it seems to be an awful lot.

Hon. Mr. Cathcart: In addition to the distribution to all news media, to many of the schools, trade organizations, business places, chambers of commerce; we receive many requests from smaller organizations and communities which write in and say: "Now, look, we have a club or a membership in a club or association of 25 people, this is the list of names." They are interested in having this and we include them on the list and send them out. That, generally, is the distribution.

Mr. R. C. Edwards: Mr. Speaker, just following this one step further. Would the hon. Minister advise us where in his estimates is the amount which covers postage on this very heavy distribution? If there are 105,000 copies of Ontario Government Services sent out each month, that would be over a million copies a year, which I think is money down the drain. But the hon. Minister is entitled

to his opinion and he is running this department temporarily.

I note that there are 160,000 camp sites and road sites and parks publications issued, and so it goes. What is the total cost for postage on the distribution of these various books?

Hon. Mr. Cathcart: I am afraid the hon. member would have to ask the hon. Provincial Treasurer (Mr. Allan) for that. It is paid through his department.

Mr. R. C. Edwards: Do I understand that the cost of postage does not come out of The Department of Travel and Publicity?

Hon. Mr. Cathcart: Other than where it is urgent that a letter may have to go out immediately and the post office were closed in which case we may use some postage, but generally speaking—

Mr. R. C. Edwards: Then could the hon. Minister give me an idea of the total number of pieces that are mailed annually of the various publications that go out of his department?

Hon. Mr. Cathcart: Our publications, and I think in my talk—if I did not, it is in the report—I indicated we replied to some 260,000 or 265,000 personal inquiries that came into the information branch in the department. We also have 16 reception centres located around the province that receive inquiries and they reply directly without getting in touch with our office. That would be around 265,000 publications mailed out directly.

Now I am talking about the publications that we process, that would not be the Ontario Government Services paper. We mail them out, we send them out to chambers of commerce who use them for people with whom they have come in contact, we send them out in bulk. I believe also that we send publications out to other—

Mr. R. C. Edwards: Mr. Chairman, if I might interrupt the hon. Minister, he is not answering my question. I appreciate he is sending out all this, but what I want is an estimate of the number of mailing pieces that leave his department each year. I am not particularly interested in whether he sends them to the reception centres or to the chambers of commerce or who he sends them to.

Mr. C. H. Lyons (Sault Ste. Marie): What does the hon. member think?

Mr. R. C. Edwards: If the hon. member would listen to me! I would remind the hon. member that I am not over here to guess, I am here to get the information and this is the only time during the debate that we have the opportunity to find out whether or not this department is administering—

Interjections by hon. members.

Hon. Mr. Cathcart: May I answer the hon. member?

Mr. R. C. Edwards: I wish the hon. Minister would.

Hon. Mr. Cathcart: Oh, do not be so funny! The hon. member is pretty clever, really. It was a great asset when this House got him. If he wants to have a nice quiet conversation I will try to give him the answers as we have them, but if he has got to come in with his funny stuff, let us have some fun then.

Mr. R. C. Edwards: I thank the hon. Minister for the very gentlemanly way he is discharging his office as an hon. Minister of the Crown.

Hon. Mr. Cathcart: Between five and six million pieces of literature are sent out. Now, a very large portion of that would go out in bulk by express to those 16 reception centres, and to many other places that are serving as information bureaus. We have approved of them doing this. We send that out in bulk.

What I was saying was that from our own head office 265,000 personal inquiries are answered, plus the fact that the Ontario Government Services paper is mailed out to 100,000-odd people. But I have not here the total number of pieces that have been mailed out in one year or two years. I think that it would be quite a job to arrive at that because of the diversified way in which it goes out from the department.

Mr. R. C. Edwards: Mr. Chairman, I will leave the item at this point, but I would remind the hon. Minister that he was in no position to tell me the cost of the postage for these various mailing pieces and the only way I could get an estimate of what was being expended was to find out from him the number of pieces that leave through the mail each year.

Now, I still have not got it in detail. Perhaps he would have time to get that; perhaps he would undertake to send it to me. I wonder if the hon. Minister would undertake to do that?

Hon. Mr. Cathcart: Yes? Go ahead! The hon. member has the floor if Mr. Chairman says so.

Mr. R. C. Edwards: Mr. Chairman, did the hon. Minister say he would send that information?

Hon. Mr. Cathcart: No, I did not say I would send it because I just got through telling the hon. member I did not know whether it was possible to get it for him. I will look into it and if it is available, he will have it.

Mr. R. C. Edwards: I thank the hon. Minister; and my final comment to him is I think it is about time he found out what is going on in his department.

Hon. Mr. Cathcart: That is the repayment for trying to be pleasant to the hon. member.

Interjections by hon. members.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, could I ask the hon. Minister: Does he have any case in which people pay? Is there any circumstance in which they pay for any of the pamphlets or material sent out to them from his department? In other words, if I am buying a paper, or *Maclean's* magazine, or such, I have to pay for it. Has the hon. Minister ever thought this might be a test of readership and of interest if the receiver has to pay for some of this material from his department?

Hon. Mr. Cathcart: I do not think I have ever given any thought to it, but I am very happy to have that suggestion. I might consider it.

Mr. Thompson: The reason I mention this to the hon. Minister is that there was a department in Ottawa, a federal department, which was sending out material across the country, somewhat similar to the hon. Minister's department. Then they decided to see if people really wanted this. They charged them about 25 cents and they found that the people did not want it because they were not prepared to pay 25 cents. I think sometimes this is the only way we can test material.

Hon. Mr. Cathcart: I think we derive a great deal of benefit from the government service paper. One fact alone is that it does go to the newspapers. The news media, and particularly weekly newspapers I find, use articles out of the Ontario Government Services paper. Because they just produce the paper once a week, they find it newsworthy.

Mr. Thompson: Thanks very much. I had another question. I asked it last year and I noted that another hon. member has also asked this. It is in connection with the advertising. I cannot help feeling—and I am not a suspicious person by nature—but for some reason it always strikes me as open to suspicion, if I was suspicious, that McKim Advertising get such a large hunk of your advertising. He mentioned the time before that he was going to be more liberal. I can assure him that on our side of the House we commend him heartily for having sentiments like that.

Hon. Mr. Cathcart: How did I use that?

Mr. Thompson: The hon. Minister said he was going to be more liberal in his advertising. Could I ask him how far he has gone in being liberal? Does McKim only still get the advertising, or is MacLaren going to get some advertising?

Hon. Mr. Cathcart: May I ask a question in return before I reply? The hon. member mentioned that he was naturally of a suspicious character—

Mr. Thompson: Unsuspicious!

Hon. Mr. Cathcart: Is that not what he said?

Mr. Thompson: No.

Hon. Mr. Cathcart: Is that not what he said? He said if he was suspicious, and I wondered what caused him to become that way because I can imagine, looking at the hon. member back in the other days, he was a fine fellow and he would not think of being suspicious of anybody. Would it be his previous experience, before coming into the Ontario Legislature that made him like that?

Mr. Newman: The hon. Minister's actions lead him to that.

Hon. Mr. Cathcart: We will get that one straightened around.

Mr. Thompson: First of all, I did not say I was suspicious by nature but I do feel this—despite that there is a pleasant sort of approach by the hon. Minister—that one would have to be extremely naive not to realize that some of this advertising is going to people who helped during an election.

I think the government could have some type of public tender with respect to advertising, that it would then appear to us on this side that they are really trying to do it on the basis of the best job that they can do in

producing advertising, rather than on the best job they might do in a political campaign.

Hon. Mr. Cathcart: Is the hon. member suggesting that these advertising agencies are not responsible people? That they do not give value for money?

Mr. Thompson: I am suggesting, Mr. Chairman, that they are responsible in too many fields.

Hon. Mr. Cathcart: Not one of them has ever been in my riding or done one iota for the responsible Minister. I do not know them personally.

Mr. Thompson: Could I ask the hon. Minister whether McKim Advertising has any connection with the Conservative party, federally or provincially?

Hon. Mr. Cathcart: The advertising that they do for us as an agency does not have anything to do with it. They are working for The Department of Travel and Publicity through the Queen's Printer.

Mr. Thompson: Could I ask the hon. Minister that question all the same, sir? Does McKim, to his knowledge have any contracts with the Conservative party either federally or provincially?

Hon. Mr. Cathcart: To my knowledge, no.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, in case anybody reads these debates, let us get the figures on the record and show the development of a nexus with the McKim advertising agency. I might say by way of addendum to my hon. friend that at least down in Ottawa our counterparts and colleagues have always alleged—and I think with a great deal of force and a great deal of evidence—that there is very definite connection between the McKim advertising agency and the Conservative party.

Now, through the use of the figures, let us show the development of this government's affection for the McKim advertising agency. In the public accounts for the year ending 1959, the amount of \$113,993.91 was spent with that agency. For the year ending March 31, 1960, the amount of \$133,556.79, an increase of \$20,000. For the year ending March 31, 1961 the sum of \$143,852.86. So it is an increase of \$20,000 the first year and \$10,000 in each of the subsequent years.

One need only look at the figures to see that in each case the increase with McKim advertising agency was accompanied with a

reduction of the allotment to other advertising agencies. I do not know what the political complexions of those others are, but it seems that if this government is in power long enough, which I doubt will be the case, that eventually McKim advertising agency with its connection and favouritism of the Tory party will virtually get all the business in the hon. Minister's department.

Nothing speaks with more truth and realism, sir, penetrating good sense, than do the figures, the cold figures that I have just mentioned. It is just as well that we have them on the record in case the people of this province look at these debates.

Mr. Bryden: Mr. Chairman, now that the matter has come up, it might be just as well to complete the record. I do not happen to have the relevant record available where I can put my finger on it, but when the Liberal government was in power in Ottawa up until a few years ago it was exactly the same situation, but the other way. The situation, Mr. Chairman, which we may as well face up to is that both of these old parties treat the public treasury as if it were their own money—

Interjections by hon. members.

Mr. D. C. MacDonald (York South): Mr. Chairman, it is obvious how the Liberals like the truth.

Mr. Bryden: I would just like to complete what I had started to say, Mr. Chairman; that it is unfortunate, although it is obviously true, that accounts of this kind are used for political purposes to reward friends of the government and no doubt friends who made significant contributions to the party coffers at election time. It is an old game that appears not only in this department, but in many departments; and whenever these gentlemen on the official Opposition benches had a chance, they were worse than the other fellows, but both of them are bad enough.

Vote 2102 agreed to.

Mr. Newman: Mr. Chairman, we cannot hear you at all. Let us start at the right number.

Vote 2103 agreed to.

On vote 2104:

Mr. R. C. Edwards: I have a question with respect to vote 2104, and I am referring again to the report of the hon. Minister, the latest report, on page 29. I note under section seven that it states at several centres, several

free cups of tea were served to our guests and the appreciation of this gesture of friendliness was expressed on many occasions. It goes on to state that local and long-distance telephones are available where it is necessary to call ahead to obtain accommodation for a tourist, and that this is done at no expense to the tourist. This service has proved a public relations feature which has drawn a great deal of good will for Ontario at small cost.

Would the hon. Minister tell me on what basis they make these telephone calls to tourist resorts? Which ones do they select and how do they go about making these reservations?

Hon. Mr. Cathcart: Generally speaking—a visitor crossing the border, may arrive there in the evening or at a time when they are a bit concerned whether they will have a reservation or not. Maybe they are going to travel another 50 miles or so.

They may know the place they want to stay because of the publications that they have read, and in that way they ask our people: "Do you think I will get in there when I get there, will they have a space or not?" So one of the staff call ahead to make sure that they do have space for them, and of course they go on with confidence.

We do not have to put in too many calls. I do not think the long-distance calls through all of the centres amount to a great deal. People are very considerate in asking for those favours. We feel for the few we have to provide, they create a lot of good will.

Mr. R. C. Edwards: Well, Mr. Chairman, I was not questioning whether or not we should make the telephone calls. I was wondering on what basis these calls are made.

Hon. Mr. Cathcart: At their request.

Mr. R. C. Edwards: I realize that too, but does the department in any way influence where those calls are made?

Hon. Mr. Cathcart: No, definitely not. We are very careful about that. As a matter of fact, we have an information bureau at Point Edward, Sarnia, and the staff there are told that they must not give any preference to the operations locally. As a matter of fact in the local area, they rather give preference to those that are 25, 50 miles away.

Mr. R. C. Edwards: What I am trying to find out is how would a tourist know where he wanted to stay, if he is a newcomer? I

have travelled some, I know that when you get to a point in your travel you start to look for a motel. Now how does that tourist select the motel? Does he refer to a series of advertising pamphlets he might—

Hon. Mr. Cathcart: A where-to-stay booklet.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Chairman, I think the backers of the government have a right to their suggestions, I wish they would get up and make them in a proper way.

What I am trying to determine is this: it might be possible, Mr. Chairman, that if the selections are made from publications which are available at the centre, that these other citizens and taxpayers in the province might not be accorded the same privileges as those who send in their advertising to these reception centres. Now that is what I am trying to find out from the hon. Minister. I am sure they do not know where they are going in most cases, because I have done a little travelling too and I know that usually you do not know where you are going to stay. You have to get advice; that is why you stop and ask for it.

Let us not make a farce of it, surely we can get an answer to the question.

Hon. Mr. Cathcart: The information centres that we have around the province are there to be of assistance to our own people just as well as to those who are visiting with us from across the borders. The where-to-stay publication is there in every reception centre and is available to him. It is processed in sections so that if you want to go to the London area, the Parry Sound district, wherever it might be, you can have the separate pages out of this booklet and look over them yourself, make up your own mind as to the accommodation that each one of them has listed and decide whether you want to stay at a place with rugs from wall to wall and so on.

On that basis a visitor asks our information girls about the accommodation as a result of the description they can read in the booklet. But they can even take them away. It will be on a separate page, which is a loose-leaf, and they can take it away with them. Does that answer the question?

Mr. R. C. Edwards: Pretty well, yes. Would the hon. Minister advise me—this where-to-stay publication he referred to,

this I presume lists all of the places licensed in Ontario? Is that correct?

Hon. Mr. Cathcart: All over the province.

Mr. R. C. Edwards: Is it done without any discrimination?

Hon. Mr. Cathcart: Oh, absolutely!

Mr. Newman: Mr. Chairman, does the department operate information services in the United States in cities neighbouring the border? I am referring to Buffalo, Niagara Falls and Detroit? Take the tremendous convention business that is found in these larger centres.

Hon. Mr. Cathcart: No, we do not. In Chicago and New York, where the federal bureau has offices we place staffs for a period in the summer in both those offices for the convenience of the public there.

Mr. Newman: Mr. Chairman, then I would suggest to the hon. Minister that he consider taking one or two members from the staffs in the Windsor area and possibly having them operate out of the conventions that frequent the city of Detroit. It would certainly be to the advantage of the tourist industry back home if these people found out that immediately across the river from them was this grand province of Ontario.

Hon. Mr. Cathcart: I think the state of Michigan knows the grand province of Ontario is over here. We placed some six or eight exhibits in a number of U.S. cities. As a matter of fact, we plan to be in Detroit this coming spring or summer at some conventions. I know that arrangements are made.

As stated, we do place provincial exhibits and then as well the outfitters association and some of the other associations put on exhibits in cities where we are not attending with an Ontario government exhibit. In that case we have sent over maybe one of our inspectors from the field or a girl, if we have one up in that neighbourhood, to assist that particular association in their exhibit and to sell Ontario. Our publications are always available to them for all over the province, not just—

Mr. Newman: Mr. Chairman, being available to the individual is no good. We have to take advantage of the individual being present there and supply him with the information rather than trying to find him.

Vote 2104 agreed to.

On vote 2105:

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Chairman, I wonder if I might ask a question in relation to this estimate. The hon. member for Woodbine (Mr. Bryden) raised a point, I think, of considerable interest, as has another hon. member who spoke about the political allegiance of various advertising companies.

Some months ago it was said in the committee reviewing the public account in the province of Saskatchewan that a Regina advertising agency—the George Bothwell Co.—was getting most of the advertising of the C.C.F. Party in Saskatchewan, and that the head of the firm, Mr. Bothwell, is the director for the National Co-operative Commonwealth Federation in Saskatchewan. I would just like to read to the House what Mr. Russell Brown, the Saskatchewan Minister of Industry and Information, said: that the agency was competing with other advertising agencies; the fact that the head of the firm was a supporter of any political philosophy should not rule the firm out of business, he added.

(Laughter).

Mr. MacDonald: Mr. Chairman, may I ask the hon. Minister a question? Is the advertising for this government placed by tender?

Hon. Mr. Cathcart: By invitation tender.

Mr. MacDonald: By invitation! This is the most fatuous description of tenders. We have passed the stage of describing tenders "by invitation." Here is the answer to the question.

Hon. Mr. Macaulay: Since the hon. member has asked me a question, will he be kind enough to tell me whether advertising is not dealt with in Saskatchewan in the same way?

Mr. MacDonald: I am sorry; I did not get that.

Interjections by hon. members.

Mr. Chairman: Order, order.

Hon. Mr. Cathcart: I want to clear the records. I thought the hon. member for York South (Mr. MacDonald) was referring to printing; printing is done by invitation tender through the Queen's Printer. Our advertising in the newspapers, of course, is simply placed with all the newspapers.

Vote 2105 agreed to.

On vote 2106:

Mr. M. Belanger (Windsor Sandwich): Mr. Chairman, with regard to 2106—the historical branch—I would like to ask the hon. Minister if he is aware of the correspondence La Fédération des Sociétés Saint-Jean Baptiste de l'Ontario has had with the previous Prime Minister of the province (Mr. Frost) concerning the historical site near Hawkesbury—the project going on between the province of Ontario and the province of Quebec concerning the falls and Hydro development. I have had some correspondence with them—I do not know whether the other French members on the side of the government have received the same correspondence—but I will say that this society is certainly concerned with what the developments are going to do to this historical site at the present time. They want to save this site and they have reason to believe, very good reason to believe, that this historical site is authentic.

I do not want to go into the whole correspondence they have had with the previous Prime Minister but I will say that certain paragraphs of their letter dated October 26 to the Prime Minister state:

Authorities on history maintain that there is a remarkable historic site at this location. However, under an agreement which was passed between the governments of Ontario and of Quebec, a portion of this historic site is destined to be flooded, following the building of a dam a few miles down the stream. Our society appealed to the Quebec government—and in particular to the Quebec Hydro Commission—in order that excavations be made on the site before the construction of the dam.

Three months ago we received a favourable reply to our request and the services of Mr. Thomas E. Lee, an archaeologist of international reputation, have been retained. Mr. Lee was successful in finding a great number of precious remains to determine the exact location of an old fort which was the scene of a battle. Some historians maintain that this was the site of the battle fought by Vaudreuil, while other historians and archaeologists are of the opinion that this is the site of the Long Sault battle where, in 1660, Dollard des Drèneaux and 16 of his companions gave their lives to save the French colony. Both historians and archaeologists agree that without any doubt there is an extremely precious historic site at this location.

We have heard from reliable sources that your government proposes to develop in this vicinity a large park area which would include a portion of the Langvin farm. However before the work is started on that project there is danger that the most precious portion of the land will be flooded when a new Quebec Hydro-Electric Power generating station goes into operation. We have been informed that this might happen as soon as February next. We know from experience that in such circumstances the provincial government has always taken a great interest in the preservation of historic sites, for that reason we hope that it may be possible to include the above-described portion of land in a proposed park area.

We take the liberty of stressing that this matter is a particularly urgent one because of the agreement between the two provinces of Ontario and Quebec, mentioned above. Engineers estimate that a retaining wall of approximately 250 feet in length and 20 feet high would be necessary to save this remarkable historic site being flooded. We hope you will be able to give your kindest consideration to this matter and we thank you in anticipation. . . . Yours very truly.

La Fédération des Sociétés St Jean Baptiste de l'Ontario

Signed: J. Farrell, secretary, 539 Dunbrad Street, Ottawa, 2, Ontario.

And I have a photostat copy of the reply of Mr. Frost as recent as November 5-November 8, which states that:

Your letter of October 26 is at hand and I have very carefully noted the problems you outlined. I am indeed greatly interested in the preservation of historic sites in the province and shall be pleased to take this up with the proper authorities.

Sincerely yours,

Leslie M. Frost.

Now I would like to ask the hon. Minister what the department is doing to preserve this site and what are their plans?

Mr. G. Lavergne (Russell): Mr. Chairman, may I be permitted to say a few words on this particular matter? My hon. friend across has mentioned Mr. Farrell, who is the secretary of La Société St Jean Baptiste de l'Ontario, who lives right in my riding. Apparently my hon. friend was not home last week to receive the latest bit of information that was sent out by Mr. Farrell be-

cause, as you say, this last letter was dated in December. It was a letter sent to Mr. Farrell, over the signature of the hon. Minister of Travel and Publicity and the footnote that Mr. Farrell had on that is that they were very, very happy with the progress being made.

I thought to give this information to my hon. friend from Windsor if he had not received the letter. He will have another letter at home, I am sure, because I had a letter. They are very, very happy with the progress made—both under the former hon. Prime Minister (Mr. Frost) and again under the hon. Minister of Travel and Publicity (Mr. Cathcart).

Mr. Belanger: I appreciate very much the hon. member giving me that information, but I would like to hear from the hon. Minister—what are the plans? That letter may be at home—I am not too sure—but I will be home this week-end and find out. I would like to hear from the hon. Minister—what are the plans?

Mr. Lavergne: I would not like to answer for the hon. Minister, I can assure you; I am not capable. I just wanted to pass that information on.

Hon. Mr. Cathcart: Mr. Chairman, I am familiar with the matter the hon. member has brought to our attention. It is a fact that this letter went back to Mr. Farrell. All I can say at the moment is that the Archaeological and Historical Sites Board—which is part of our department—is negotiating with the people that the hon. member has referred to. They do have the matter under study, I could not tell you at the moment what the plans are.

Hon. L. P. Cecile (Minister of Public Welfare): That area is in my riding and is very close to the town of Hawkesbury.

Mr. Chairman, for many, many years—as a matter of fact as far back as 25 years ago—the same Mr. Lee had done some research on that very spot. However, the whole problem seems to be what is it? I think the Quebec government have also at the moment people looking into the matter at their own expense as well as Quebec Hydro. The historians are not set as to what happened there. Was it a trading post? Was it somewhere where a battle happened to take place under a certain general or between the heroes of Long Sault and the Iroquois? or was it something else?

I am sure that it is what La Fédération is trying to find out as well as everyone

interested in the historical matter of the site, and as soon as that has been established I am sure we will be informed so we know where we stand. I have had many written and verbal discussions with them—the different presidents of the different groups of the federation and the local association—and I can assure the House that these have been taken under very active advisement. I would be rather afraid of recommending that any public money should be spent unless we were very sure of what did happen there.

Mr. Belanger: This dam might be in operation by February, 1962 and if it is put in operation there goes your historical site.

Hon. Mr. Cathcart: Decisions are delayed for some considerable time because I can assure the hon member that the advisory board composed of nine members, archeologists and historians, will not approve of an historical site until they are very sure in their own minds. We have been establishing these plaques for some five or six years and we may have had an odd criticism of some wording that was on a plaque, but certainly not of great moment because this board is very particular.

I wanted a plaque down in my riding where my people tell me there was an old fort. They looked into it and refused to put the plaque up so the Minister has not much to say on that one. I appreciate what you have had to say; I know the concern of both the Quebec government and our own and the hon. Mr. Frost's interest, but it is under study between the two bodies concerned. I cannot tell you what they have in mind—whether they are going to establish a plaque or not.

Mr. J. F. Edwards (Perth): Mr. Chairman, I would just like to relate an experience I have had in connection with one of the plaques in my own riding. It happens to be in the township of Blanchford in Perth County which I have the honour to represent, at the birthplace of a former Prime Minister of Canada, Hon. Arthur Meighen. It was well-received and I think all the people of Perth County are very happy about it. Co-operation was received from the department, from the women's institute groups and all concerned with the history of our country and of the riding of Perth.

Mr. Troy: Mr. Chairman, I know the hon. Minister has had, as I have, representations from organizations in the province particularly from the riding of Nipissing through

which the original Trans-Canada Highway runs, in regard to historical plaques. The representation has been made that the plaques in such an area should be bilingual because many represent the feats of people of the French race, as you very well know—along the Champlain Trail, places known to Champlain, Nicolet, Brûlé, the great Fathers Brébeuf and Lalemant. I know the hon. Minister has had these representations. Has he given any consideration that on one side of the plaques the inscription might be in the French language?

Hon. Mr. Cathcart: This is under consideration.

Mr. Spence: Mr. Chairman, while we are on this subject of historical plaques—I believe last session I brought to the attention of the hon. Minister the historical spot of Shrewsbury and he informed me that they were going to look into it. I wonder what has become of that?

Hon. Mr. Cathcart: Was there a request made for us to look into it?

Mr. Spence: Well, I brought it up in the Throne Speech and the hon. Minister nodded that he would look after that.

Hon. Mr. Cathcart: I am sorry but we at no time have gone out into a district or an area or a municipality and asked them if they would like to have the plaque established. We prefer that the request should come from a local association and then when the plaque is established we ask the local association or municipality to sponsor the opening ceremony and the unveiling.

Mr. Spence: Well, Mr. Chairman, I thought I made the request to look into this.

Hon. Mr. Cathcart: I made a similar request to the board myself and they would not pay any attention to me. They said: Get your association to send in their request and we will look into it. The hon. member and I are on a par. Have them send it in and I will be glad to pursue the matter.

Mr. Lawrence: The new item, at least I think it is a new item, item 8. I was wondering which society is that? Obviously it is a grant. Is it the Ontario society?

Hon. Mr. Cathcart: Yes, that is the Ontario Archaeological Society.

Vote 2106 agreed to.

On vote 2107:

Mr. Troy: Mr. Chairman, I have a number of questions to direct to the hon. Minister on 2107; particularly about the censor board. How many members are there on this censor board and how long have they served?

Hon. Mr. Cathcart: There are five members on the censor board.

Mr. Troy: And how long have they been sitting as members of that board?

Hon. Mr. Cathcart: I think some of them have served since the censor board was first established.

Mr. Troy: Well, how many years would it be?

Hon. Mr. Cathcart: About twenty-five.

Mr. Troy: Twenty-five! Well, I strongly suggest that the hon. Minister make some changes. I think that it should be a rotating board; that the members should not be on there any more than four or five years. I am sure that after looking at the films and the smut and pornography and all these other things for the last 25 years, these members' sentiments and senses must be so calcified and corroded that I am sure it would be—

Hon. Mr. Cathcart: There are a couple of ladies on the board.

Mr. Troy: Well, that is all the more reason why you should relieve them from such a situation. I notice, Mr. Chairman, that last year 58 American films, 21 British films and 11 foreign films were classified as adult and as restricted. Now surely, after looking at those things year after year it would be an act of charity for them to be relieved from that particular situation. There is another—now, this is nothing to laugh about, after all. It is a very serious situation.

Hon. Mr. Cathcart: I am not laughing.

Mr. Troy: I did not say the hon. Minister was laughing, but some of these other people—I will not classify them—

Hon. Mr. Cathcart: I know, but it is going on the record as though I am laughing about it. I am not laughing.

Mr. Troy: I notice that the board itself in its report said that there was a continuing blast of unsavoury and sex-in-the-raw movies. I find too, that the board has certain powers. Has it got any power to suspend a licence

of a theatre if it allows youngsters to go in there to adult entertainment?

Hon. Mr. Cathcart: Yes.

Mr. Troy: They have? Well, in the last year—or even the last 25 years—how many theatres have had their licences suspended because of allowing the youngsters to go in unaccompanied by adults to see a picture that is classed as adult entertainment?

Hon. Mr. Cathcart: I could not answer that. Is the hon. member saying that young people go in to see a restricted film without company?

Mr. Troy: Not even an adult film. I do not know just what the hon. Minister means by an adult film, either.

Hon. Mr. Cathcart: An adult film means that young persons can go in so long as they are in the company of an older person.

Mr. Troy: I know that. I meant restricted—18 years of age or more. In this edition of one of the Toronto newspapers, most of the films are either restricted or adult. The other week I was in town and I saw an advertisement for a film—I will not mention the name; people might go and see it—but the advertisement told us it was a very honest picture, together with a whole lurid description of the film. It was a restricted picture and on the very bottom line was “not recommended for children”. Now, if it was a restricted picture, and knowing very well—

Mr. Bryden: Would the hon. member have recommended it for children?

Mr. Troy: No, I do not think so. I have certain principles that I follow. There is another point also. In regard to the advertisement—

Mr. W. B. Lewis (York-Humber): Mr. Chairman, can we deal with that point for a moment? The hon. member—

Interjections by hon. members.

Mr. Troy: Again, does the censor board check these advertisements for these restricted and adult films?

Hon. Mr. Cathcart: Yes, they do.

Mr. Troy: They do. Then I think the hon. Minister must take a look at his censor board because, coming from a hockey game the other night, I saw an advertisement for one

of these films. There were two people in a clinch and one was half undressed. Does the hon. Minister suppose that is the kind of picture that youngsters should see? Does it not stir up an emotion that they should not have?

Interjections by hon. members.

Mr. Troy: I am quite serious about this, and I think hon. members should be serious, because I recall the Detroit father whose youngster was found mutilated and raped in a field. He said he did not blame the man, he blamed the society that allowed such things to be developed. We are just touching on films now because they do not have anything to do with the "Tropic of Cancer" and that sort of thing.

An hon. member: What about the parents?

Mr. Troy: That is right, what about the parents? Sure, they are also involved in it, but then most of these pictures invite them to go. Some of the adults that go there are adult in age—that is all. Once their emotions are stirred up, it is hard to say what is going to happen. So I suggest to the hon. Minister that he recommend to his board of censors that, where it is a restricted film, it just should be the name of the film, the time of the entertainment, and none of these lurid pictures. Do they also censor—

Interjection by an hon. member.

Mr. Troy: I know; there is that problem too, and we have the problem of the newspapers, but do they also censor TV films?

Hon. Mr. Cathcart: No.

Mr. Troy: Why not?

Hon. Mr. Cathcart: Well, we would have to go over to Washington—

Mr. Troy: It says in the statutes that the board has the power to censor every film. Now, does the hon. Minister mean to tell me that the films presented on television are not films in the category as covered by this section?

Hon. Mr. Cathcart: For the information of the hon. member, that would be a federal matter—things coming across the border. We are away off the track.

Mr. Troy: Well, I am just asking for information.

Mr. Wintermeyer: I think he is very much on the track.

Hon. Mr. Cathcart: Insofar as a TV film?

Mr. Wintermeyer: No, not so far as TV films are concerned, but the hon. Minister is making a laughing stock of a serious problem.

Hon. Mr. Cathcart: I am not making a laughing stock out of it; I have not laughed at any time, and I paid particular attention to what he had to say.

Mr. Troy: Does the censor board censor advertisements over the radio or TV, or films?

Hon. Mr. Cathcart: No, it does not.

Mr. Troy: Nothing to do with it?

Hon. Mr. Cathcart: No.

Mr. Troy: I just asked that question because—

Interjections by hon. members.

Mr. Lewis: Mr. Chairman, do I have the floor now? May I ask the hon member for Nipissing (Mr. Troy), in light of the fact that the motion picture operators in this country today—and especially the province of Ontario—are having a tremendous job to get along and make ends meet, does he have any specific points, or moments of truth, or facts, or violations where children are going in to these adult films? Let him say so, so that we can do something about it; but do not let him persecute the motion picture industry indiscriminately.

Mr. Troy: It is not a case of trying to persecute the industry.

An hon. member: Well, what is the hon. member doing?

Mr. Troy: What am I doing? My original point was that the censor board, surely, after looking at these films and all kinds of objectionable material for 25, 20 or 15 years—certainly their senses must be calcified and corroded because of that, and I think we should have some fresh stuff on the board.

Mr. Lewis: Nonsense. The hon. member is preaching the good book without even opening it.

Mr. Troy: I have seen this with my own eyes, I have seen line-ups for adult entertainment and not an adult there at all.

Mr. Lewis: Give us the names so we can get after them.

Vote 2107 agreed to.

On vote 2108:

Mr. R. C. Edwards: Mr. Chairman, I want to ask a question, but let me reiterate what my colleague has said. I think some of the films that are being shown in this country are not fit for even adults, let alone children, and I think the hon. Minister should take a very serious view of the situation, if it be so, that children are being allowed into these adult film houses unescorted. I am not saying that they are or are not, but some of the films are not fit even for morons to watch, let alone sensible, intelligent adults. My friend across the way wants to know if we have any suggestions for this depressed picture industry. I would suggest that if they clean up some of the filth they have on the screens today, it might be possible to get a few more patrons into their theatres.

But the thing that makes me wonder, Mr. Chairman, is that I understand the theatre business is depressed and that the number of films being turned out are less than before. I wonder if the hon. Minister would advise the hon. members how many films have been censored in the past year, and how that figure compares with the past, say, three, four years?

Hon. Mr. Cathcart: Four hundred and ninety films; 210 U.S., 61 British and 219 of others.

Mr. R. C. Edwards: That would be a total of what?

Hon. Mr. Cathcart: Four hundred and ninety.

Mr. R. C. Edwards: How does that compare over the previous, say, five years; or some estimate over the past period of time?

Hon. Mr. Cathcart: There is a difference of five. There were 485, according to the figures that I have, the previous year.

Mr. R. C. Edwards: Mr. Chairman, I wonder then if maybe this department has many other duties besides the censoring of these films? Is that correct? I am wondering why this estimate of \$118,000, if it is simply to censor some 500 films a year? Does the department have other duties?

Hon. Mr. Cathcart: Oh yes! We have inspectors out in the field who inspect theatres for fire hazards and so on; and act in a supervisory capacity for the projection operators in these theatres. Oh yes, the responsibilities are considerably more than that. In many of these pictures that are

shown in censoring a film, it is not simply a case of approval of disapproval, but parts are cut out.

Mr. Troy: Mr. Chairman, in reply to the hon. member for York Humber (Mr. Lewis) I have a letter that was sent to the—

Hon. Mr. Cathcart: Mr. Chairman, may I correct that statement before the hon. member goes on, please? Four hundred and eighty-five the previous year—oh, I was right—485 the previous year; 567 the previous year to that and 490 this past year.

Mr. Troy: I have a letter to the *London Free Press*, March 24, 1960. I will not read the first name, but I can show the hon. member the letter and:

In London on Saturday with time to spare while my car was being serviced, I dropped into a movie theatre. The first picture was entitled *Vice Raid* and had to do with the call girl racket. I presume you understand what that is. Next was *The Pusher*, about dope addicts. There was news and other programmes that were good. I am not criticizing the show which was labelled outside as Adult Entertainment, but I was disturbed to observe that scores of children, many of them eight, 10 and 12 years of age, unaccompanied by adults, were in attendance.

I will not state any more of the letter, but I can show the hon. member the press clipping with the man's name and his home address.

Mr. Lewis: Did the hon. member report it?

Mr. Troy: I did not report it, that happened in London. I live a long way from London, I do not visit there very often.

Mr. Lewis: I do not know why the hon. member could not do something about it.

Mr. Troy: I was not there; as I say it was a press clipping.

Mr. Newman: Mr. Chairman, may I ask of the hon. Minister if all films entering the province of Ontario are censored; or reviewed by the censor board?

Hon. Mr. Cathcart: All 35 millimetre films.

Mr. Newman: Thirty-five millimetre? Are films used for television production 35 millimetres?

Hon. Mr. Cathcart: Pardon?

Mr. Newman: For television viewing.

Hon. Mr. Cathcart: No.

Mr. Newman: They are not?

Hon. Mr. Cathcart: I think both 16 and 35 are shown on TV.

Mr. Newman: On TV screens? Then any film, before it can enter the province of Ontario, must be viewed by the censor board?

Hon. Mr. Cathcart: Films that are shown in Ontario and to be shown in Ontario would be censored by our censor board.

Mr. Newman: That is right, then likewise the department would be censoring, or have the opportunity to censor, films that are going to be shown on television, because they must enter the province of Ontario first, must they not?

Mr. Chairman, just this past year we have allowed motion picture theatres to be open on Sundays and as a result of that we find that youth has the opportunity to visit these theatres on a Sunday afternoon. This is all the more reason why the censor board now should take another look at their attitude towards the motion picture films. There is the need for more censoring as the result of the fact that younger people are getting into the shows on Sunday afternoons.

Hon. Mr. Cathcart: I might just say in reply that I just happen to have a copy of a report of the board and I would like to quote a portion. I quote:

Again the board has reminded the industry, both on this continent and abroad, that the prime purpose of the motion picture industry is to entertain, to permit its patrons to forget their problems and to relax for a couple of hours.

These are human beings who are serving in this capacity and they too appreciate the problems we are concerned about.

Mr. Sopha: Mr. Chairman, I may disagree a little with the views of my colleagues in this. I respect their views and respect the views of the hon. Minister, but in the final analysis, as anyone who has looked even in cursory fashion at some of the criticisms levelled at public entertainment by George Bernard Shaw will agree, the final analysis is the public good taste. If a production is bad, the public will stay away from it in droves; as they did the other night with the pugilistic encounter at Maple Leaf Gardens

—and I am being very fair when I describe it as that.

However, it is a pretty sad commentary on our society that whenever we think of censorship we think of the censors with their magnifying glasses out scanning these films and looking for such things as an obscene treatment of sex or perhaps an obsession with narcotics or some of the other base and lower forms of the vices. Yet having read the reviews of the film that is playing in this city now and will be playing in centres no doubt all across the country—I refer to the latest extravaganza out of Hollywood dealing with the life and death of Jesus Christ, which of course was the greatest event in human history—that the treatment of the subject matter in that film as far as I know was never touched by the censors. The treatment of this subject verges on the blasphemous and the irreligious. Not only does it fabricate events in the life of Jesus Christ that never took place; in order to get into the true Hollywood tradition, they had to—out of their own minds, out of a piece of wholecloth—they had to put in a couple of battles between the Roman army—

Hon. A. Grossman (Minister without Portfolio): They did not follow the book?

Mr. Sopha: No, they did not follow the book, they did not follow the script. Not only did they not do that, but I am also told—I have not gone to see the film and I doubt if I will give them my \$2.50 in order to go and see it—that one of the most significant scenes of the trial before Pontius Pilate, that is where the mob is asked what they would do between the two malefactors before them, when the mob said "Give us Barrabas", they left that one out entirely.

I say that it is a sad commentary on our society and the board of censorship that when—and I do not think it is too extreme a criticism—Hollywood seeks to turn the sign of the Cross into a dollar sign, it passes the board of censors without any comment whatsoever. Who is to say that if the board of censors had looked at that film and said that this does not depict in any true and accurate sense the happening of the greatest event in human history, take it back to Hollywood and put it in the rubbish can; who is to say that the public would not have supported the censors in their decision?

But where censorship goes wrong—and I would reduce the vote of this department to a dollar, if I could persuade my colleagues to go along with me—where the censors go

wrong is the narrowness of their approach. They look at the film and they see if Brigitte Bardot is depicted in heroic stature, smuggling dope into the country, and if none of that type of thing is offered, then the film is fit for human consumption.

On the other hand, as I point out, Cecil B. DeMille, or whoever it is from Hollywood, can treat the life of Jesus Christ in blasphemous and irreligious fashion, as I am told that film does. No less reviewers than the reviewer of *Time* magazine and the reviewer in the Jesuit periodical *Commentary* has said that; and yet the board of censors, perhaps influenced by the vast amount of money that was spent on its production and suspecting that if it is given fair treatment that type of thing must be allowed, make no criticism at all.

In the final analysis if, as I say—and here is my point—if the best judge is public good taste, no matter what your board of censors attempt to do, they or anyone like them, or anyone presupposing that he can influence human thinking along that way, will never either add much to human morality or detract much from it.

Mr. J. H. White (London South): Mr. Chairman, is the hon. member for Sudbury (Mr. Sopha) speaking for the Liberal Party when he recommends that films and other media be censored for accuracy?

Mr. Sopha: I would think that I speak for the Liberal Party when I say that films ought to be censored for blasphemy.

An hon. member: What about historical content?

Mr. Sopha: Not accuracy, but blasphemy; the two words are spelled differently.

Vote 2108 agreed to.

Hon. Mr. Robarts moves that the committee of supply rise and report that it has come to certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

SPEECH FROM THE THRONE

Mr. J. H. White (London South): Mr. Speaker, may I extend my compliments to you, sir, together with my thanks for the many courtesies given me by you and your office during the past year.

It is a pleasure to join previous debaters in congratulating the hon. Prime Minister (Mr. Robarts) and hon. members of his new Cabinet; and particularly the hon. Minister of Agriculture (Mr. Stewart) and the new hon. Minister without Portfolio (Mr. MacNaughton) both of whom are personal friends of mine, the new hon. Minister of Reform Institutions (Mr. Haskett) a desk mate of mine during our first session in this House; the hon. Minister without Portfolio (Mr. Grossman), newly appointed chief commissioner for the L.C.B.O., the hon. members for St. George (Mr. Price), Renfrew North (Mr. Hamilton), Peterborough (Mr. Brown) and Peel (Mr. Davis) on their recent distinctions and all other hon. members whose appointments and accomplishments have been saluted in recent weeks.

I, too, pay tribute to the hon. member for Victoria (Mr. Frost) whose excellence as Prime Minister will be recorded in song and story for generations to come.

Before presenting personal comments and suggestions for the consideration of the Legislature, I should like to examine a few of the remarks made by previous Opposition speakers. Mr. Chairman, it was a week ago yesterday that the hon. member for York South (Mr. MacDonald) paid a visit to western Ontario. The next day he came back into the Legislature and presumed to be an expert on things agricultural, he presumed to speak for the people in our part of the country. Among other things, he drew attention to 1951 D.B.S. figures and he cited these as evidence that the province was in pretty poor shape. On page 138, the hon. member for York South said:

It will be very interesting to see what change has taken place in this decade.

And, Mr. Speaker, I am glad to be able to tell the House that I have certain figures for the year 1960, which I should like to read to you now.

The hon. member for York South said that 18 per cent of the households in Ontario had no piped water at all in 1951. He will be glad to know that in 1960, this figure was 5.8 per cent.

Mr. D. C. MacDonald (York South): Where did you get these figures?

Mr. White: These figures are taken from the D.B.S. publication, catalogue 64-202, issue May 1960, serial 9603-501-60, volume 8, pages 15 and 16.

Mr. MacDonald: Based on what?

Mr. White: These are the D.B.S. figures, based on their sample surveys which apparently are carried out annually; and they are total figures only. Incidentally, Mr. Speaker, you will be interested to know that while the figure has fallen from 18 per cent to 5.8 per cent here in Ontario, the figure in Saskatchewan is 43.6 per cent.

The hon. member for York South pointed out that in 1951, 27 per cent of the households of Ontario had no bath or shower. He will be glad to know that this figure has now fallen to 11.9 per cent, compared to 50.2 per cent in the province of Saskatchewan. The hon. member for York South told us that in 1951, 22 per cent of the households in Ontario had no toilets—either flush or chemical—this has fallen to 8.7 per cent, compared to 44 per cent in the province of Saskatchewan.

Is it any wonder, Mr. Speaker, that people are leaving Saskatchewan? Is it any wonder that while Ontario increased its population from 3,432,00 in 1931 to 5,405,000 in 1956, Saskatchewan's population fell from 922,000 to 881,000? Those are the D.B.S. figures too.

Interjections by hon. members.

Mr. MacDonald: They left while the Liberals were in power. The population has been rising under the C.C.F.

Mr. White: Is it any wonder, Mr. Speaker, that last year—1960—while 55,000 new Canadians settled in Ontario, only 2,000 went to the province of Saskatchewan? I would ask, in concluding this section of my speech, sir, that the hon. member for York South not presume to speak for the farmers or the other citizens of western Ontario. As a matter of fact, perhaps he heard the newest saying down in that part of the country—the N.D.P. is N.D.G.

Mr. Speaker, the hon. member for York South dealt at some length about business and union illegality, mentioning in particular a court case against an electrical contractor. And he threw out the challenge: "I look forward to a Conservative to draw attention to this kind of thing."

I am glad to do so now with one or two constructive suggestions.

I think it is perfectly shameful when industrialists and businessmen break the law. I think it behooves the Canadian Manufacturers Association, the Canadian Chamber of Commerce and trade organizations to discipline the corporations and executives who are found guilty—

Mr. MacDonald: They never do.

Mr. White: I am making the suggestion—let me finish. I think it behooves these business organizations to exert some discipline on their members, and I think it likewise behooves union leaders and those who presume to speak for them to discipline their members—

Mr. MacDonald: They do.

Mr. White: —to discipline their members when they carry out illegal strikes and such like. They discipline them for raiding other unions, but that is about the sum and substance of the discipline that goes on. There was an article in the *Toronto Globe and Mail* a week ago, headed "A Get Together—or A Plague on Both Their Houses," which quotes from a Royal commission report, written by Mr. Justice Tritschler, and I would like to make reference to this for a moment or two. The report says:

Perhaps management and labour, to preserve their way of free life, may be persuaded to find larger areas of agreement so that the now silently suffering public will not arise to wish a plague on both their houses. The conferring or imposing of corporate status and responsibility upon trade unions is in the opinion of the Commission a conditioned precedent to any improvement in industrial relations.

On that very point, Mr. Speaker, I personally would be reluctant to see this suggestion implemented. I think there might be something a little less dangerous in application and implication. I think perhaps that a half-way step could be taken. Mr. Justice Tritschler would put teeth in the law by making a breach of the collective bargaining agreement—by either party—actionable at the suit of the other party. A trade union which defaulted in obeying the judgment of any court would be disqualified from acting as a bargaining agent. I am reluctant to see unions incorporated, and subject to law suits, because I think that might place them at a distinct disadvantage and, in fact, might lead to the financial ruin of many good unions which are serving their members well. I think that unions and management should be subjected to some kind of penalty if they deliberately break the contract which they have made.

The hon. member for York South had quite a lot of fun with the remark that the hon. Prime Minister made, concerning the difference in the Liberal and Conservative Parties. Of course, this hon. member sought to show that there was little if any difference

between the two other parties. I suggest to the hon. members of this House that such is not the case.

As a matter of fact, I think there would be more validity in saying that there is no difference between the Liberal Party and the N.D.P. as I will now seek to establish. In the *Toronto Globe and Mail* article dated Saturday, July 1, an article about the Liberal young people's meeting quoted liberally from remarks made by the executives and members of that organization.

Let me quote Jean David, president of the National Young People's Federation: "It is my opinion that this party is not as Liberal as it should be".

The *Globe and Mail* article continues:

Ontario Liberal Leader John Wintermeyer was among the party who heard Mr. David's brief speech to the 100 delegates at the final convention banquet. If the reaction to Mr. David's presentation had been merely polite, the statement could merely have been dismissed as of little import; but he brought down the house. Linked with other developments, it contributed to evidence of a growing tide of leftism. A caucus of Liberal members in Parliament had shown that the party was the most reactionary in Canada on the Cuban issue.

The president of the Toronto and York Young Liberal Association said his party should try to come to terms with the New Party. It was Mr. H. Malcolmson who introduced a resolution for an alliance with the New Party. Consternation swept through the top brackets of the party after the motion passed. John Beckett of Hamilton said people have been brainwashed by the press, television and radio into believing that communism was the worst thing in the world. We should pick things from communism that could be used in advocating control of industry.

When asking if that was not what the CCF had been saying for years, Mr. Beckett said: Yes, we are moving more toward the left all the time.

These are the Liberals I am quoting, Mr. Speaker.

Despite the shock that may be given Liberal elders, the young Liberals appear to be drawing closer to embracing some of the planks in the current CCF policy which, they contend, no longer is socialism.

And so time will prove, sir, that there is very little if any difference between the two left wing parties.

Mr. Speaker, I cannot take part in this Throne debate without mentioning the subject of crime, because the challenge has been made so clearly and so strongly that I for one must comment on both the subject and the way in which it was brought to the attention of the people in this province. Of course there is crime in Ontario. If there were not we would have no police. Of course some of this crime is organized. If it were not we should not have the very large organized forces that we find to be necessary.

Of course the criminals are using more modern methods. If not, how could the government justify the new police college, announced about a year ago? There may well be some increased activity in crime. How else could the Attorney-General justify an increase in the size of the Ontario Provincial Police? It may be that there is serious evidence of organized crime here in Toronto, or elsewhere in the province. It may be. I do not know. I think perhaps the government appointed a police commission—or announced the appointment of such a commission—with that very problem in mind, and perhaps this is the answer.

Certainly responsible journals in the province think this is the answer. Yes, the *Toronto Telegram*, and the *Toronto Globe and Mail*, the *London Free Press* and many other papers think that this problem should be investigated by the new Police Commission and, as a matter of fact, the hon. leader of the Opposition was not at all clear just a matter of a few weeks ago as to how this problem should be tackled.

Interjections by hon. members.

Mr. White: It was only a very short time ago that the hon. leader of the Opposition was suggesting a Kefauver-type committee investigation. Now he says that only a Royal commission will do. Why the change in the recommendation? I suggest, Mr. Speaker, that it has been changed because the Opposition wants to make it as difficult as possible for the government to appoint a Royal commission. They are doing it because of the five by-elections in January. It seems to me that decent-thinking, honest members of this House, regardless of political affiliation, should support the police commission idea which was announced in the Throne speech; submit whatever evidence they may have, and offer whatever proof they have available, so that the problem can be tackled intelligently and without injuring innocent parties. I would like to review this matter, Mr. Speaker, to put it in proper perspective.

Last May, the hon. member for Sudbury (Mr. Sopha) earned headlines all over the province charging crime and corruption in high places. He was challenged at that time to put his facts and figures before a court of law and he refused to do so. His own leader, the hon. leader of the Opposition (Mr. Wintermeyer), said this, as quoted in the *Toronto Telegram* of May 20:

Liberal leader John Wintermeyer seemed surprised by Mr. Sopha's charge implicating a Cabinet minister. "My position has been, is and will be that I will not be any part of a speculation, accusation, innuendo that may or may not be accurate," he said. He said these charges might "weaken the whole cause of a broad probe into the provincial crime picture."

I think that is right. But I think that is exactly what the hon. leader of the Opposition turned his back on when he stood up and quoted hearsay evidence hour after hour.

Mr. Speaker, I would like to point out that while the hon. leader of the Opposition made certain pious proclamations in his speech,

Now, Mr. Speaker, I am the leader of the Opposition and I am prepared, Mr. Speaker, to tell you now that I will vacate any privilege I have; I am prepared to waive any privilege I have in this House.

Further on at page 101 of *Hansard*:

I will be responsible for everything I have said and that I say from here on, and I vacate any privilege I have as a member of this House.

I thought when I heard those words that it was a very hollow offer and I have since confirmed with parliamentary experts that those remarks were meaningless. Those remarks, and the hon. leader of the Opposition as a lawyer should have known it, those remarks in no way affected the immunity which he had when he gave this speech in this House.

Mr. J. J. Wintermeyer (Leader of the Opposition): I intended it at the time.

Mr. White: Mr. Speaker, if he wants to substantiate the remarks which he made vacating the immunity which he had, why does he not step out into the corridor and read the speech again?

(Applause.)

The hon. leader of the Opposition said, as quoted in the *Toronto Telegram* of May 16:

I will not be any part of a smear campaign where I simply divulge all the

rumours that are in my possession in the knowledge that such statements will produce headlines. Such tactics tend to injure the characters and reputations of individuals.

At about that same time the Liberal hierarchy apparently curtailed the activities of the hon. member for Sudbury. Even the *Toronto Daily Star* ran an editorial on May 23 as follows, which said in part:

Let Mr. Sopha put up or shut up.

Mr. Sopha has questioned the government's integrity in the most vital area, the administration of justice. Mr. Sopha's clear duty now as a citizen and as an elected representative is to back up his charge with evidence.

This is the *Toronto Daily Star* I am speaking from, Mr. Speaker.

To put up or shut up. He should lay the facts before the Attorney-General Kelso Roberts.

But, Mr. Speaker, the hon. member for Sudbury did not put up, he shut up. I suggest, Mr. Speaker, and I am informed by friends of the Liberal hierarchy, that the charges made and the very intense speaking campaign that was commenced at that time was curtailed and postponed for political reasons. I have reason to believe, Mr. Speaker, that these charges would not have come forward at this time had it not been that the hon. Prime Minister called by-elections for January 18.

I say, sir, that this approach to this very grave subject of crime is almost criminally irresponsible, if I may use the words that the hon. member for York South (Mr. MacDonald) applied in a different context. Yes, I think it is almost criminally irresponsible for hon. members of the Opposition to undermine the law enforcement agencies and the courts of this province for political purposes.

Excuse me for a moment, Mr. Speaker, while I consult some of the evidence which I have here. I have to abbreviate these remarks because of the time at my disposal.

The *Toronto Globe and Mail* at about the same time ran the following editorial which I quote in part:

MR. SOPHA AND CRIME

Mr. Elmer Sopha, Liberal member of the Legislature for Sudbury, is gravely irresponsible when he refuses to inform police officers of evidence of wrongdoing which he says has come to his attention. He has stated that he has evidence of bribery and corruption. In refusing to disclose evidence

to the police Mr. Sopha is also placing himself in a position where Attorney-General Kelso Roberts might be justified in charging him with obstructing officers of the law.

The Criminal Code, section 110, reads—

Interjections by hon. members.

Mr. White: Well, my friend, I know Liberal lawyers in London who think that the wild charges which have been made and these deliberate statements which are being made by the Opposition that they have certain facts which they will not divulge, are definitely against the law and that a charge likely should be laid in order to straighten the matter out.

The Criminal Code, section 110, reads:

Everybody who resists or wilfully obstructs a police officer or peace officer in the execution of his duty or any person unlawfully acting in aid of such an officer is guilty of an indictable offence and is liable to imprisonment for two years.

Now, with the session on, of course, a charge could not likely be laid. "It is time for Mr. Sopha to place public duty ahead of party"—and these remarks, it seems to me, apply to all the hon. members of the Opposition—"and to co-operate fully with the police. Continued refusal to do so will reflect seriously on his fitness as a member of the Legislature."

Mr. E. W. Sopha (Sudbury): Yes, and I did offer to co-operate with the police, too, if they did not run and tell the hon. Attorney-General (Mr. Roberts) where the information came from.

Mr. White: Mr. Speaker, why does he not lay a charge in a court of law?

Mr. V. M. Singer (York Centre): Why does the hon. member not lay a charge?

Mr. White: As a decent, honest, honourable citizen ought to do, and is expected to do?

We are used to hearing irresponsible charges from the leader of the C.C.F. and his supporters. We are not used to this same McCarthy-like approach from the members of the Liberal party. I say McCarthy-like, deservedly, because Senator McCarthy stood up in a place where his remarks were immune to action and named names and repeated hearsay and quoted third-hand evidence or pretence at evidence, knowing full well that the truth would never catch up with his remarks. We see the same thing happening here, I am sorry to say, and I say further, Mr. Speaker, that Liberals in London who are friends of mine find it perfectly shocking to see the Opposition using these McCarthy-like tactics. I would go so far as to say, Mr. Speaker, that the Opposition parties will find to their sorrow that the decent people of this province in the five ridings in which there are to be by-elections will not let these unprovable, unsuable accusations deter them from sending in five good Conservatives to lead this province of ours to even greater progress.

Applause.

Hon. J. Yaremko (Provincial Secretary) moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow we will proceed with the orders on the order paper and the Throne debate, if there is time to continue.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6:00 o'clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, December 8, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, DECEMBER 8, 1961

The House met at 10:30 o'clock, a.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the east gallery, students from St. Jerome's High School, Kitchener, and in the west gallery, Galloway Road School, West Hill. Also in the east gallery, the Ontario Provincial Council, United Brotherhood of Carpenters' and Joiners of America.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE CO-OPERATIVE LOANS ACT

Mr. J. P. Spence (Kent East) moves first reading of bill intituled An Act to amend The Co-operative Loans Act.

Motion agreed to; first reading of the bill.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before the orders of the day, in view of the many inquiries that have been made of me by individuals, hon. members of the House and by the press, I would like to say that I will present to this House on Monday, the government's position in relation to the matters of administration of justice which have been discussed in the House in the past week.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I have questions to two of the hon. Ministers, both of which were submitted yesterday.

First to the hon. Attorney-General (Mr. Roberts). With reference to Neville Shellard of Cayuga, who has been held for some days incommunicado and under police guard, the hon. Attorney-General is reported to have said

that the police "could not hold a person indefinitely unless some charge was laid against him." My question to the hon. Attorney-General is, how long is "indefinitely" and would he care to make any further explanation on the action of the police in this instance?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, since the body—and there has been a suspicion of murder in this particular case—since the body was first discovered on Shellard's farm, police have been scouring the barn, the house and the immediate area for clues that may help in identifying who may be responsible for the death. Shellard has remained in his home but, as he said to a reporter from the *Hamilton Spectator* and as reported in that paper in yesterday's issue, he was free to leave it. He has not been under arrest.

Section 438 of the Criminal Code provides that a person under arrest shall, when a justice is available, which is ordinarily the case, be taken before a justice within 24 hours.

Mr. MacDonald: Mr. Speaker, my second question is to the hon. Provincial Treasurer (Mr. Allan). I am informed that a certain church in this city, which is selling Christmas trees as a fund-raising venture, was first told that sales tax would apply. Then they were told that it would not be subject to the sales tax. Later the decision was changed again, that the tax would apply.

Would the hon. Provincial Treasurer state what is the situation on church sales of Christmas trees? Second, if the tax does apply for church sales, what is the department's reasoning that it does not apply to Boy Scout sales? And let there be no misinterpretation, Mr. Speaker. I am not arguing that it should apply to Boy Scout sales.

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, I am very pleased to reply to the question of the hon. member. I suspect that the situation as presented to the hon. member may have involved some misunderstanding

and so I think I will just make a statement clarifying the whole situation.

A church which is selling Christmas trees as a fund-raising venture may register as a vendor and collect tax on the price charged for the trees, in which case it can buy the trees free of tax from its suppliers. Alternatively, inasmuch as fund raising is an element in the transaction, it is acceptable to the department that the church, instead of collecting tax on the sale of the trees, might be deemed to be the purchaser thereof, in which case the church should pay the tax to its suppliers or directly to the department at the time of purchase on the price charged by its suppliers. When this alternative is accepted, the church may exchange the trees for donations and collect no further tax.

This means that there must be a tax paid on the trees at some level. Although the church may feel it is better not to sell them subject to tax, as a matter of fact when the church sells the trees subject to tax the church does not pay any tax at all; the buyer, the consumer of the trees, pays the tax; as he would if he bought them from some business enterprise.

In other words, there is one tax to be paid on Christmas trees when they are being dealt with by charitable organizations. Either the charitable organization will pay the tax in relation to the price paid to its supplier, or it will register as a vendor and collect tax on the amounts its customers pay to the charitable organization in exchange for the trees.

Similar arrangements are applicable in the case of the Boy Scouts. Boy Scouts sell Christmas cards; they sell Christmas trees. The Boy Scout troop may take out a vendor's permit to collect tax, in which case the boys will collect tax on the price they charge for the Christmas trees, Christmas cards, or whatever else they sell, and the troop will remit the tax so collected to the department. If the Boy Scout troop wishes, the troop may pay tax on the price charged to the troop for the trees or the Christmas cards by its suppliers, and thus avoid taking out a vendor's permit and collecting tax.

These can be temporary permits, they do not cost anything and can be taken out with very little inconvenience.

So the net effect is that a church or an organization such as the Boy Scouts on specific fund-raising campaigns have a choice; either they operate as a consumer under the Act and pay tax on the purchase price of the goods they buy to exchange for donations, or

they register with the department as a vendor and obtain a single event permit, in which case they will levy and collect tax on the amounts they receive for the sale of the goods.

Mr. A. J. Reaume (Essex North): I wanted to ask, Mr. Speaker, is there any way of boiling this thing down a little? I get a lot of calls from churches which are going to hold rummage sales, pie sales, cake sales, and there is some doubt in the minds of these people as to just who is taxable and who is not; and what is taxable and what is not.

With all the experts that the hon. Provincial Treasurer (Mr. Allan) has in the department—I know he has a large group of them, competent PR men, etc.—if he might not boil down some sort of a simple statement that he might put in the press so people would know exactly what they had to do. I am not concerned if he wants to spend a little more money—

Mr. Speaker: Order! I think the hon. members are well aware that at this point they are allowed to ask supplementary questions, but not to make statements. They are asking for information, not giving it.

Mr. Reaume: In the way of asking a question, will the hon. Provincial Treasurer (Mr. Allan) permit a question?

Mr. Speaker: The hon. member can ask the hon. Provincial Treasurer to clarify the things he has already said.

Mr. Reaume: Well, all right, if he would, please.

Hon. Mr. Allan: Mr. Speaker, I may inform the hon. member that there have been explanations in connection with rummage sales, bazaars, sales of home made baking and the like. May I state here very simply that goods and articles donated to charitable organizations holding such sales are exempt from sales tax when sold. If, however, material to be sold has been purchased by such organizations for resale, it is subject to tax either at the time of the sale or when purchased by the organization.

Perhaps I should make a news release—I am always happy to do anything the hon. members opposite suggest, if it is good!

Mr. Speaker: Orders of the day.

House in committee of the whole, Mr. K. Brown in the chair.

THE BAILIFFS ACT, 1960-61

House in committee on Bill No. 14, An Act to amend The Bailiffs Act, 1960-61.

Sections 1 to 4, inclusive, agreed to.

Bill No. 14 reported.

THE CORONERS ACT

House in committee on Bill No. 15, An Act to amend The Coroners Act.

Hon. A. K. Roberts (Attorney-General): I move that the following section be inserted as section 2 of the bill.

2. This Act comes into force on the day it receives Royal assent.

and that the present section 2 of the bill be re-numbered as section 3.

Section 1 agreed to.

Section 2, as amended, agreed to.

Section 3, formerly section 2, agreed to.

Bill No. 15 reported.

THE CROWN ATTORNEYS ACT

House in committee on Bill No. 16, An Act to amend The Crown Attorneys Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 16 reported.

THE DEVOLUTION OF ESTATES ACT

House in committee on Bill No. 17, An Act to amend The Devolution of Estates Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 17 reported.

THE DIVISION COURTS ACT

House in committee on Bill No. 18, An Act to amend The Division Courts Act.

Mr. Chairman: Bill No. 18 will be held.

THE JURORS ACT

House in committee on Bill No. 20, An Act to amend The Jurors Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 20 reported.

THE LEGITIMACY ACT, 1961-62

House in committee on Bill No. 21, The Legitimacy Act, 1961-62.

Sections 1 to 9, inclusive, agreed to.

Bill No. 21 reported.

THE MASTER AND SERVANT ACT

House in committee on Bill No. 22, An Act to amend The Master and Servant Act.

Mr. Chairman: Shall section 1 carry?

Mr. K. Bryden (Woodbine): Mr. Chairman, I would like to raise some matters that I dealt with briefly in regard to this section when the bill was before the legal bills committee. I may say that I am in favour of the section as far as it goes and would be quite prepared to see it passed. The only problem is that I think it is quite clear that this proposed amendment to The Master and Servant Act will not accomplish the purpose which the government had in mind in bringing it in. The purpose was quite admirable, but the method of achieving it, I think, is very doubtful.

The problem as explained in the committee on legal bills is that cases have arisen where an employer who contracted to do certain work—the specific case given related to agricultural work—and then hired labour to do the work, skipped out of the country after he got his money from the farmer, but before he paid his workmen.

Now under The Master and Servant Act as it now stands, my understanding is that if there is some apprehension that that sort of thing may happen, a summons may be issued. That procedure has been found to be ineffective. The amendment proposes to tighten it up by providing that under certain circumstances the master or employer, as he is described in the bill, may be subject to arrest if a justice of the peace is satisfied “he is about to quit the territorial jurisdiction of the justice of the peace,” to quote the legal terminology of the bill.

The difficulty as I see it, Mr. Chairman, is that if a man is about to quit the territorial jurisdiction he is not very likely to announce it. The situation could arise that he is paid off on having completed the contract and within an hour or two he departs. The employees who were expecting to receive the wages that they were entitled to receive as soon as their employer, the contractor, was paid off, would not be aware of the fact

that they were not going to get their wages until the fellow had departed. It would then be too late. Even the power to arrest will not solve that situation.

We were told in the committee on legal bills that, in the town of Simcoe, the actual problem had arisen. Itinerant workers in Simcoe were hired by an individual who had a contract with a farmer to take off his tobacco crop and the man beat it across the border before he paid off his workers.

As I said I fully agree with what the government is trying to achieve here, but I suggest, Mr. Chairman, that they will fail to achieve it.

This problem does arise from time to time. It is not a widespread problem as I understand it. Most employers will pay off their workers, but the situation does arise from time to time and even if it arises in only a very few cases, I certainly think it is important that something be done to protect workmen who, having contributed their labour, are then cheated out of their remuneration.

At this stage I am not going to suggest an amendment to this bill because the problem is too complicated to attempt to solve in a brief span of time. I am quite prepared to see the bill go through at this stage, as it stands, but I would suggest to the government that The Department of Labour, which I think is the department most intimately concerned in matters of this kind, should look into this whole question of The Master and Servant Act—which is a very ancient Act, based on very ancient concepts. The department should, perhaps, consider substituting for it what might be called a payment of wages Act—or something like that—which would lay down certain reasonable rules regarding payments of wages, not only in situations of this kind but in other situations as well.

In this specific type of situation, my suggestion to the government is that legislation should be considered, whereby employers—of the type referred to in this proposed amendment—would be required to post a bond; or alternatively, that the money which they are entitled to receive from the person with whom they have entered into a contract, should be paid into trust, and should not be released until evidence has been produced that the wage claims and other legitimate claims have been satisfied.

I do not see how this problem can be controlled by any other system. As I said at the outset, I quite agree with the purpose the government has in mind, but I submit to the House that, on the face of it, the method

they are proposing in this bill simply will not have any effect on the problem at all.

A man can skip out before anyone satisfies a justice of the peace that he is likely to skip out, just as easily as he can skip out before a summons is issued to him. Once he gets the money—especially in a town like Simcoe—it is a matter of an hour at the outside, before he would be across the border to Niagara Falls or Buffalo. It seems to me that in this type of situation where, shall I say, itinerant contractors hire itinerant workers, there should be some provision whereby the money due to the contractor is held up until there is evidence that he has satisfied wage claims particularly, and other claims against him as well.

Hon. R. W. Macaulay (Minister of Energy Resources): Could I ask the hon. member a question or two in this connection? He is talking about something in which we all have an interest.

There is, of course, The Mechanics' Lien Act which *does* provide—where persons perform labour, or supply material—that the owner who is going to pay the contractor must hold back either 15 or 20 per cent of the amount owing, depending on the size of the project and the total cost of the project. This, as I recall, is constituted a trust fund by section 11 of that Act. Does the hon. member propose that there might be a trust fund in all cases where there is a relationship of employment between A and B?

Mr. Bryden: Mr. Chairman, I see a battery of four lawyers sitting on the Treasury bench there and I am not going to try to serve as their legal advisor, but what I had in mind is the problem of the employer who has no fixed assets at the spot where he is hiring labour. Whether it can be handled under The Mechanics' Lien Act or not, I am not prepared to say; and I am perfectly prepared to concede that it is not a simple problem. I think the government will concede that it is a real problem; they would not have brought in this bill otherwise. Something should be done to tighten up the law in a situation such as one where the employer simply moves in, hires labour, does the job and moves out. Whether this can be done by The Master and Servant Act or The Mechanics' Lien Act, I do not know. But it would appear, from the information given to us in the committee on legal bills—in explanation of this bill—that some tightening-up has to be undertaken. My only submission to the government is that the tightening-up

proposed in this particular bill will certainly be inadequate.

I am quite prepared to confess that I am not certain what should be done. I made one proposal. I think it could be looked into, in the light of the existing law, and possible ways of improving it. I would agree it is a matter which requires some study.

Hon. Mr. Macaulay: What was the proposal of the hon. member? I am sorry if I missed it. Was it made today, or in the committee?

Mr. Bryden: I just made it about three minutes ago while the hon. Minister was contemplating more weighty matters, probably.

Hon. Mr. Macaulay: No, I was contemplating the hon. member.

Mr. Bryden: I regret that I dazzled the hon. Minister to the point where he was not able to absorb the words of wisdom I was conveying to the government. The proposal was that the money due to the contractor—or, at any rate, a portion of it—should be paid into some sort of a trust fund—say, in a bank—and should not be released until he could produce evidence that he had satisfied wage claims and other claims against him.

Hon. Mr. Macaulay: The difficulty with that is: First of all, there is already legislation to that effect in The Mechanics' Lien Act. The second problem is: How do you supervise whether the payments made by the owner—or whoever is paying the contractor—is in fact, going to be paid into the bank or into a trust fund? It also means, presumably that he has to pay money into an account before the money is actually due and owing. This will tend, it seems to me, to make an additional hazard in terms of building, and I think it is going to make building that much more costly.

Mr. Bryden: This does not relate to building. The specific case I was dealing with, relates to agricultural labour. I was not suggesting it should be paid in advance, I was suggesting merely that it should be paid when it is due to the contractor, and that a responsibility should be placed upon the person letting the contract, to pay it in so that, if the contractor skipped out, the workmen who have contributed their labour—and probably have very little money—would have some recourse. I think that it would not be unreasonable to say that a farmer, or any other person who contracts for work to be done, should be required at least to take the

reasonable precaution of paying the money to some bank where it will be held, pending settlement of claims. If he failed to do that, then he should himself incur some liability.

Hon. Mr. Macaulay: In addition to what the hon. member has said, I cannot yet get clearly in my mind what his objection is to The Mechanics' Lien Act, which does precisely what the hon. member has been proposing.

Mr. Bryden: My only objection is that it has not worked, apparently. The law officers of the Crown and officers of the department of the hon. Attorney-General, who appeared before the committee on legal bills, said that they were bringing in this amendment because they had come across specific cases where employers had skipped out without paying wages to their employees. If there were a remedy under the existing law I would presume that the remedy would have been adopted. I assume from what they told us that whatever remedies exist were considered to be inadequate; and therefore they were proposing the additional remedy which they include in this bill.

Hon. Mr. Macaulay: I think this is designed really to improve another alternative. That is to say, there is The Mechanics' Lien Act on the one hand, and The Master and Servant Act on the other. Now, The Master and Servant Act itself is an alternative to The Mechanics' Lien Act and when a claimant has the choice he may take one or the other. If he takes The Mechanics' Lien Act I think he has protection. But there appears to be a weakness in The Master and Servant Act; and that is why this section is introduced, not because The Mechanics' Lien Act is not adequate but because there is a hole in the other Act.

On the other hand, I think that The Mechanics' Lien Act really only applies where an employee has added value to something that he has worked on. This does not deal with the kind of situation that the hon. member is talking about—say, somebody who is harvesting or someone who has an employee in a shop and just simply worked for the week. In that case it would be very difficult to claim a lien against the real estate. I think the hon. member's point is a good one, but until he can come up with some suggestion—a practical one—as to how this can be corrected it would, perhaps, be worthwhile asking the committee on legal bills to have a look at it.

Mr. Bryden: I would be satisfied if it was merely studied further. Perhaps a broadening of the existing provisions of The Mechanics' Lien Act might be the answer. I do not know.

Sections 1 and 2 agreed to.

Hon. A. K. Roberts (Attorney-General) moves that the following section be inserted as section 3 of the bill:

3. That this Act comes into force on the day it receives Royal assent.

and that the present section 3 of the bill be renumbered as section 4.

Section 3, as amended, agreed to.

Section 4, formerly section 3, agreed to.

Bill No. 22 reported.

THE MECHANICS' LIEN ACT

House in committee on Bill No. 23, An Act to Amend The Mechanics' Lien Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 23 reported.

THE RECIPROCAL ENFORCEMENT OF MAINTENANCE ORDERS ACT

House in committee on Bill No. 25, An Act to Amend The Reciprocal Enforcement of Maintenance Orders Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 25 reported.

THE SUMMARY CONVICTIONS ACT

House in committee on Bill No. 27, An Act to Amend The Summary Convictions Act.

Hon. Mr. Roberts moves that the following section be inserted as section 2 of the bill:

2. This Act comes into force on the day it receives Royal assent.

and that the present section 2 of the bill be renumbered as section 3.

Section 1 agreed to.

Section 2, as amended, agreed to.

Section 3, formerly section 2, agreed to.

Bill No. 27 reported.

THE TRUSTEE ACT

House in committee on Bill No. 28, An Act to Amend The Trustee Act.

Hon. Mr. Roberts moves that the following section be inserted as section 2 of the bill:

2. This Act comes into force on the day it receives Royal assent.

and that the present section 2 of the bill be renumbered as section 3.

Section 1 agreed to.

Section 2, as amended, agreed to.

Section 3, formerly section 2, agreed to.

Bill No. 28 reported.

THE DENTISTRY ACT

House in committee on Bill No. 29, An Act to Amend The Dentistry Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 29 reported.

THE SANATORIA FOR CONSUMPTIVES ACT

House in committee on Bill No. 30, An Act to Amend The Sanatoria for Consumptives Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 30 reported.

THE AIR POLLUTION CONTROL ACT

House in committee on Bill No. 31, An Act to Amend The Air Pollution Control Act.

Mr. V. M. Singer (York Centre): Mr. Chairman, I did not have the advantage of hearing this bill discussed in committee. I wonder why such broad powers should be given. What is this advisory committee really going to do? Are its powers and duties going to be within the four walls of the Act? Are they going to be more extensive? This is a very broadly worded section, and it causes me some concern to give this power to the Lieutenant-Governor in Council. Apparently, any powers and duties can be given to this committee. It may be a good idea for a committee to call in from time to time, but to give them unlimited powers, I think, is going too far.

Hon. M. B. Dymond (Minister of Health): Mr. Chairman, the bill does not state anything about the powers that are to be given to the advisory committee. This bill is an amendment to give to the Lieutenant-Governor in Council the right to make regulations providing for the establishment of this advisory

ory committee on air pollution. This committee will be an advisory committee to the Minister.

Probably, if one goes back a little bit historically—in 1956, I believe it was—a select committee of this House after a very thorough investigation into this whole matter, submitted its report. One of the recommendations of that report was that a commission be set up. I have given a great deal of thought to the advisability of such a commission and, for many reasons, I deemed it inadvisable to recommend to the government that such a commission be set up.

I think the most important consideration is that, while we have gone a long way in this matter of air pollution control, we still have a very long way to go. I am dreadfully afraid of imposing sanctions on industry to control—as someone has put it rather crudely—belching smokestacks at the expense of full lunch pails. If I had to make the choice as an individual—and if I had to recommend a choice to the government, as a member of the government—I would choose the belching smokestack, provided, mind you, everything in our power was done to correct and control that situation.

Industry is as concerned about this as the government, I believe. Industrialists from various parts of the province are most plagued with this problem. I have been tremendously impressed with their sincerity in seeking to do all they possibly can to control this problem.

While I could not recommend to the government the establishment of a commission with broad regulatory and policy-making powers, I did feel that it would be of great value to me as the responsible Minister and to the government as a whole, that we have an advisory committee to the Minister, to look into all the aspects of this. With their knowledge, and on the basis of their investigations and findings, they could recommend to me certain courses of action that would be worthwhile, practicable and in the interests of the public as a whole.

This committee can be considered to be, I believe, composed of people with a good deal of knowledge in the field. There will be two representatives of industry, one representative from the Ontario Chamber of Commerce, two representatives of labour and two technical persons, skilled and experienced in this field.

I would point out to the House that they will have no policy-making or regulatory powers, that they will simply be an advisory committee to the Minister to help guide me

in proposing a policy to the government, and legislation to this House.

Mr. Singer: Mr. Chairman, I have very little quarrel with what the hon. Minister has said. My only concern is the wording of the section. If the hon. Minister believes the committee is going to be used for these purposes, I think the committee is a good idea. But I think the section should say that. I am a little concerned about the necessity for the last phrase in this section, prescribing its powers and duties. If the government wanted to change that to something like “to advise the Minister” I would be quite satisfied, but I do not like a general phrase of that sort in this type of statute because it seems to open the door too wide. What the hon. Minister has said goes along with my objection, I think, and if those words could be replaced with a phrase like the one I suggested—or something similar to it—I would be quite satisfied.

Hon. Mr. Dymond: Mr. Chairman, I would like to have the right to suggest or recommend to the Lieutenant-Governor in Council that the powers and duties of such an advisory committee could be laid down in the regulations. It would seem to me, sir, that its responsibilities and its duties, are inherent in the very name, the Air Pollution Advisory Committee; it is an *advisory* committee. And an advisory committee, as I see it, is a committee set up to give advice to someone—in this case, the Ministry of Health.

I do not really believe that anything would be gained by changing those words. I must say that I am not wholly inflexible in these matters.

Mr. Singer: Well, Mr. Chairman, with the greatest respect, the hon. Minister and I part company on this argument. I do not know why—if the committee is to do what the hon. Minister suggested it is to do—it needs any more powers to be contained in the Act than the power to advise the hon. Minister. That is all the hon. Minister said he wants, so why does he not say that in the statute? What additional powers and duties will the committee have, other than to advise the hon. Minister? If that is all, why does the statute not say that?

I am forced to be suspicious because the hon. Minister insists that these words remain; or is he insisting? All right, if the hon. Minister will be flexible enough—if he is not insisting—let us change the words to what he says he wants and then we will all be happy.

Hon. Mr. Dymond: Mr. Chairman, I have no objection to deleting those words and

therefore I would move that the section be amended to read:

The Lieutenant-Governor in Council may make regulations providing for the establishment of a committee to be known as the Air Pollution Advisory Committee.

Mr. A. H. Cowling (High Park): Mr. Chairman, I would like to say a word on this. As the chairman of the select committee, I would like to congratulate the hon. Minister on setting up this advisory committee.

Although I do not feel we have gone far enough in this thing, the hon. Minister has pointed out the committee recommended setting up a board or commission with broad powers to do something about cleaning up the air. This is certainly a step in the right direction. However, I cannot agree with the hon. Minister of Health when he says that he would rather see full lunch pails and have the black smoke coming out of the chimneys. We found out in our investigations, Mr. Chairman, that with modern methods of air pollution control, it is not necessary to have the black smoke coming out of the chimney. We can still have the full lunch pails, we can have the factories working at top speed, we can have them working efficiently and they can do something—

Hon. Mr. Dymond: On a point of privilege, Mr. Chairman, may I point out that the hon. member (Mr. Cowling) has taken my words out of context and has clothed them with a meaning which was neither implied nor intended?

Mr. Cowling: I thank the hon. Minister very much. With these modern methods of cleaning up the air, I repeat that we can still have the full lunch pails. It is not necessary to pollute the atmosphere with black smoke.

For example, we were in the great industrial city of Pittsburgh. Pittsburgh was known for years as "the smoky city." And believe me, you could see where the smoke had completely covered the downtown buildings of Pittsburgh. Now they have on a very effective air pollution control project. They have set up a commission or a committee to look into this matter and they have enacted certain laws with teeth in them. They were able to remove the smoky atmosphere of Pittsburgh, practically. It was interesting to note—and I know some of the hon. members of the committee are here: the hon. member for Brantford (Mr. Gordon), the hon. member for Oshawa (Mr. Thomas) to name two—on the tall buildings of Pittsburgh one could actually see the mark where the black soot

had been washed down by the rain and the snow, following the passing of the law, when there was no further smoke in the atmosphere. Obviously, we *can* clean up the air.

I was very interested in an article that appeared in the paper this week, which reported that one of the officials in Washington—now he has become aware of a mechanical gadget for automobiles, which will remove the carbon monoxide exhaust—is going to recommend that it be made mandatory for United States car manufacturers to install the gadget on their cars in the same way as they install windshield wipers and horns. Thus, the great problem of exhaust fumes will be eliminated.

You will remember, Mr. Chairman, that was another one of the recommendations of our committee, that when a proper mechanical arrangement was devised to attach on automobiles that they be made mandatory in the province of Ontario. It looks as though we are coming a little closer to that.

But this whole problem of air pollution, of smoke, is a big one. It is something of which we on the government side are very cognizant; we now have our air pollution control division with The Department of Health, which has done much good work in assisting the municipalities to set up their own by-laws, and to do something about their local problems.

This advisory committee will do a good job, and it may be, as the hon. Minister has said, that eventually it will be necessary to set up a special board or commission to look after the whole problem. Certainly in the meantime, this advisory committee will do much good work in assisting the government and the municipalities of the province of Ontario. The province of Ontario can give us some clean air and keep it that way.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I should like to ask assurances from the hon. Minister that this committee will in fact get something done. When we say that much has been done, or when the hon. Minister says that much has been done in this field; I do not wish to be critical of him, but I certainly agree with him that much is to be done. I wonder if we can have any assurance that this committee will in fact operate and we will see some results. I hope this is not just another camouflage or another committee being set up that will not accomplish anything.

The hon. member opposite has just made mention of this select committee which was set up to study the matter of air pollution.

That was a number of years ago. Yet it does not take much imagination when we drive down through the industrial areas of this city, or the city from which I come, to realize that smoke and these chemicals and what-have-you are being put into the atmosphere in far too great a quantity. We are now fighting the problem of water pollution because we were negligent in placing control soon enough to protect the waters of our land.

If one travels through the city of Los Angeles where the smog is such a problem, it does not take much imagination to know that the health of the people there is being endangered. I say the people are being endangered here, and I should like to know whether the hon. Minister can give us some assurances that this committee will in fact accomplish what we want done is it something that might sit for another two or three years before it gets around to reporting? I think this is a matter which should be tackled early. I wonder if we can have some assurances that this will get us some results.

Hon. Mr. Dymond: Mr. Chairman, I believe I can assure the hon. member that this committee will be an actively working committee. It is not a committee being set up for a specific job; it is an on-going job. It will continue to sit and consider all the matters relative to this very important question and advise us so we may be guided in the policies and legislation which will ultimately come to this House for consideration.

This is one of the things I have insisted upon in asking for the opportunity and privilege of setting up this committee: that it be a working committee.

Mr. R. C. Edwards: I realize, of course, that this is for the benefit of the hon. Minister, and I appreciate that. I wonder if there is any possibility that this committee will be filing reports which might be available to us as hon. members of the Legislature or is this a committee which will be exclusively for the use of the hon. Minister of Health?

Hon. Mr. Dymond: The intention, Mr. Chairman, is that it will be an advisory committee to the Minister.

Mr. R. C. Edwards: Do I understand that most of the information which is available from this committee will not be available to the hon. members of the Legislature?

Hon. Mr. Dymond: Essentially that would be it—to guide me. I do not expect that it

will be filing formal reports, but will be giving me, from time to time, recommendations and advice to guide me in my programme for the future.

Mr. R. C. Edwards: My only comment to that, Mr. Chairman, is that I suppose this is the prerogative of the hon. Minister. I suggest to him that when these reports are being set up—I do not know whether this is to be a paid committee or not—but when he takes the sole exclusive responsibility for this report, he also takes responsibility for this entire situation.

Hon. Mr. Dymond: That is quite right, Mr. Chairman. I believe that is part of my duty as a Minister. But on the other hand any reports that are given to me, or any questions that may be asked concerning the matter by any hon. member of this House, I would be prepared to answer to the best of my ability with whatever knowledge and information I have available to me.

Mr. D. C. MacDonald (York South): Mr. Chairman, I agree with the hon. member for High Park (Mr. Cowling). I do this so rarely that I want to record it for once.

This is a more important issue than is sometimes realized. I am constantly impressed by the number of times that constituents of mine—friends, neighbours—raise this problem with me. It is one of the nagging problems that we live with. They try to get their municipal council to do something about it, but their council usually says they do not have the power.

The thing that puzzles me, Mr. Chairman, is why the government is taking so long in coming to grips with this? In the first place it is now six years since this select committee made a recommendation—1955, was it not?—1956, I am sorry. It is five years since the select committee made its recommendations. So that we have had a five-year lag while the hon. Minister is considering whether he will establish a commission, or whether he will set up a committee. Now he comes up with a committee, which is only an advisory committee.

It may be a working committee, it may be that this committee will go out and look into situations and come back and advise the hon. Minister but if so, what the hon. Minister, in effect, is saying is that he has been doing nothing for five years, or alternatively, that personnel in the department, for whom he has the final responsibility, have been doing nothing. Which, of course, I think is a pretty accurate admission of the fact.

Nothing has been done. It is not only late, Mr. Chairman, but I agree once again with the hon. member for High Park, it is too little.

It is never too late if you have a serious problem, I agree, it is never too late, but it is certainly later than it should have been, when the hon. Minister had this report on his desk for a five-year period.

As the hon. member who chaired this committee and looked into it points out, the hon. Minister in some basic approaches to the issue is fairly well off base. It is possible to protect the full pail and at the same time do something about this! This is really a red herring drawn across the trail, for the hon. Minister to introduce this idea that he is more interested in the full lunch pail.

The point that was raised by the hon. member in the Liberal group seems to me once again to be a very pertinent one. I am increasingly disturbed about this business of setting up advisory committees, because the advisory committee presumably goes out and does a job in getting facts which this Legislature is entitled to.

Now the hon. Minister, with a gesture of generosity, said, "I will be glad to give the information to anybody who asks me". That is not the point. The point is that this House and its hon. members should be cognizant of all the information which that committee gets so that then they will be in a better position to know what questions they should ask the hon. Minister. They need this information as a basis of working knowledge in coping with this problem.

Mr. Chairman, I do not want to take much more time. I agree that it is never too late to come to grips with a problem, but this bill certainly fits the old adage that it is too little and too late in terms of the seriousness of this whole issue.

Hon. Mr. Dymond: Mr. Chairman, I do not really suppose and I do not believe it would be possible for me to live long enough to bring in any bill that would please my hon. friends. However, I would like to point out that there are many factors that the hon. member brought before us on which he obviously is very much off base.

First of all, of course, I have not had the privilege of being the Minister for five years. I have been Minister for three years, just about now. One of the first things I undertook was a study of this matter of air pollution control, because I was just as cognizant of the problem as the hon. member is and just as deeply concerned about the

matter, as is every hon. member on this side of the House.

The first thing we did was produce a model by-law, or what we believed was a model by-law, and we did this on the basis of advice given to us by experts, although they were not formally constituted a commission. It has worked very well. Many municipalities have adopted it.

The hon. member speaks about the nagging calls he gets from his constituents, I can appreciate them and I can sympathize with him, but I would like to point out that Metropolitan Toronto is one of the municipalities that has not chosen to introduce or to adopt the model by-law.

Mr. MacDonald: How many have?

Hon. Mr. Dymond: I cannot give the hon. member the exact number, but I undertook before the committee the other day to be able to give the exact number when my estimates come in. It is becoming a sizeable number and, rather interestingly, it is being introduced by those communities most affected by this problem. This is what we anticipated, this is what we had hoped for. Progress is being made.

As I said earlier, industry itself is very much interested and very much concerned about this and frankly is spending large sums of money to do as much as it can do at the present time.

Fortunately, and unfortunately at the same time, it is not the black smoke that is causing us the trouble, it is the many other substances that are being let loose, so to speak, in our atmosphere, substances which are largely new. For this reason it is difficult to cope with them, because we have to develop the filters or the equipment or the appliances or whatever it may be that is applicable to the methods of precipitating these solutions that are being released in the air.

The black smoke is still a problem, I am not minimizing this by any means. Indeed it is rather startling to know that some big industries and big commercial buildings are still among the worst offenders, because there is a treatment for black smoke and it is being brought under control very much. It is these other chemical substances and other types of smoke that bother us very greatly. Included in these, of course, and becoming an increasing factor in our environment all the time, are the exhaust fumes from automobiles.

I must agree with the hon. member for High Park (Mr. Cowling) that it is very interesting to see that the automobile

engineers have finally come up with something which they believe will be an effective control for this great, and vexing problem.

The information from advisory committees, as far as these committees in my department are concerned, might very well be made available to this House; but I would point out to the hon. members that I have several advisory committees. I have never, despite the fact that some of the hon. members of the Opposition have from time to time suggested that I am somewhat dictatorial, I have never been too proud, or considered myself too big or too smart, to seek the best advice I could possibly get and to use it. Indeed, I could not run this department without seeking the best possible advice from the best qualified sources. This I shall continue to do, because no one man can deal with all of the complex problems which face The Department of Health today, charged as it is with the responsibility of the health of all our people from the cradle to the tomb.

A great mass of advice comes to me from many committees. I do not really know exactly how many advisory committees there are to my department at the present time, but there is quite a sizeable number and there will have to continue to be. This will be a growing number because of the growing complexity of the business of the health of our people.

I frankly see no reason why the report could not be made available to the hon. members. It will add to the cost of government, there is no doubt about it.

Much of the information that comes from them is verbal, much of it comes to me through personal contact with the chairmen or the members of the various committees, and therefore there is no record of it. We have discussions from time to time. I have discussions with these committees from time to time and they tell me their ideas and opinions and recommendations; so much of the advice I get is not formally put down on paper. But I have no objection in the wide world to any hon. member in the House getting all the information that is made available to me.

For the record, Mr. Chairman, I think I should point out now that while I made reference to the belching smokestacks and the full lunch pails, you will recall that I said in the meantime they were doing everything possible, steadily and continuously, to control and correct the causal situation or the causal factor in this matter of air pollution control.

I would repeat, sir, for the sake of emphasis if for no other reason, that we on this side of the House are as equally exercised about this problem as the hon. members across the way.

Mr. MacDonald: Mr. Chairman, I would like to ask the hon. Minister another question.

Mr. Cowling: Mr. Chairman, I think there is something I should point out in supporting the hon. Minister—and I certainly appreciate the kind remarks of the hon. member for York South (Mr. MacDonald). The hon. Liberal member for Wentworth (Mr. R. C. Edwards) talks about the situation here in industrial Toronto and I think we should know, Mr. Chairman, that in Metropolitan Toronto we have a very active, efficient and well operating air pollution control division. This was done in co-operation with the hon. Minister of Health (Mr. Dymond) and with our new air pollution control legislation. They have been very active, they have a large staff of inspectors, and they have done much to reduce the problem here in Metropolitan Toronto.

I can give you a very definite example of that, Mr. Chairman. I had several calls from industry in my riding out in High Park complaining about the fact that the inspectors in the air pollution division of Metropolitan Toronto are too tough on their industry and too severe with them. That gives the other side of the picture.

These people are on the job and they have gone a long long way toward cutting down the problem in Metropolitan Toronto. There is a lot of work to be done and it takes a great deal of study and investigation and work to even keep up with the whole problem of air pollution because with the new industries coming into this area we are going to have an increase in the problem. So I say that we have done a lot; there is a lot to be done; and I want to commend the good work that our people are doing here in Metropolitan Toronto.

Mr. MacDonald: Mr. Chairman, the added remarks of the hon. member for High Park (Mr. Cowling) make my question even more pertinent. The hon. Minister defended his record in the last three years by saying that he had produced this model by-law. He used words that clearly indicated that he was not quite happy with the fact that Metropolitan Toronto was one of the areas that had not seen fit to pass this by-law.

Hon. Mr. Dymond: Not at all.

Mr. MacDonald: Well, we will take a look at the words of the hon. Minister when they get into *Hansard*; and I hope they do not get changed in the process, because I heard it and I heard it very, very clearly.

Now we have the hon. member for High Park saying that they have a committee that is active and I am just a little bit puzzled. If this committee is active in doing a job so that industry is complaining to him, why has the hon. Minister expressed dissatisfaction or some milder form of objection to the fact that the model by-law had not been adopted in Toronto?

However, it brings me to the point that I wanted to raise before the hon. member for High Park added further facets to it. In coming to grips with the question of water pollution, for a time the responsibility was left with the municipality. Then finally it became very clear that this was not going to solve the problem. Whether you call it dictatorial or not, the government saw fit to set up a water resources commission and it has regulations which are now backed by the courts of law with penalties and everything else.

What I am interested in is why—with the magnitude of this problem and with reluctance that grows out of pressures on municipalities, leading to a municipality being reluctant to the point of doing nothing at all to come to grips with it in many instances—why is the government not willing, either through a commission comparable to the water resources commission or some other body, to act at the provincial level?

Now, for heaven's sake, do not start telling me this would be treading on municipal autonomy; that precious item that is used or abused depending on how the government wants to approach a topic. Because I think the record is clear in the instance of the water, and the parallel is clear with air pollution where the government had to move with laws laid down at the provincial level which were superimposed over anything that the municipality did or did not do.

I submit to the government that this is ultimately what they are going to have to do on air pollution. They have taken five or six years to play around with it and now they are going to take another five or six years with an advisory committee.

So my question to the hon. Minister is this: What is the reason for the reluctance in duplicating at the provincial level the kind of tougher approach that we found was necessary in coping with water pollution to also deal with air pollution?

Hon. Mr. Dymond: Mr. Chairman, the two subjects are so unrelated and so far apart that it would take a long time to explain it to the hon. member.

First of all, we have known how to control pollution of water for many, many years—I was going to say centuries, that is not quite true, but for many, many years. We do not yet know how to control the various pollutants in the air—

Hon. Mr. Macaulay: We do not even know what they are.

Hon. Mr. Dymond: —and it is because of this that we hesitate to recommend that this should be undertaken by a provincial body. We believe that we are on the right track. We believe that we are moving as swiftly as is possible. There was no dissatisfaction implied—the hon. member for York South has the greatest capacity for reading into one's words—

Mr. MacDonald: Do not malign me, just deal with the issue.

Hon. Mr. Dymond: Just keep quiet for a minute and listen; as one of my hon. friends said, if the hon. member would just keep quiet he would learn something. If I kept my brain out of gear as much as he does, I would never say anything.

Mr. MacDonald: Deal with the issue instead of—

Hon. Mr. Dymond: Just keep quiet! Mr. Chairman, if the hon. member would stop talking when someone else is trying to tell him something—

Mr. Chairman: Order, order!

Mr. MacDonald: Deal with the issue.

Hon. J. Yaremko (Provincial Secretary): What does changing *Hansard* have to do with air pollution when the hon. member is speaking?

Mr. MacDonald: Nobody is asking the hon. Minister.

Hon. Mr. Dymond: There was no reluctance on the part of Metropolitan Toronto to adopt the model by-law. Metropolitan Toronto and a few other municipalities in Ontario for many years have been controlling air pollution as effectively as they could under a clause of The Municipal Act. They believed that it was more suitable—

Mr. T. D. Thomas (Oshawa): Why don't you make Metropolitan Toronto adopt the model by-law?

Hon. Mr. Dymond: The hon. member and I do not live in Metropolitan Toronto! We leave them the right to determine for themselves what they believe is best for their people and for their municipalities.

Metropolitan Toronto, and the city of Toronto before it and two or three other municipalities, big municipalities in Ontario, believe that they can control this matter and have done an effective job, with the knowledge available to them and to us over the years, in controlling it under the terms of The Municipal Act.

The other municipalities which come to us now seeking advice—we recommend that they adopt the broader powers available to them under The Air Pollution Control Act and they have done this without exception. No new municipality in the last three years, to my knowledge, has elected to try to control this matter under the terms in that clause in The Municipal Act which permits it.

There is nothing implied or inherent in my statement that Metropolitan Toronto had chosen not to do it. They are doing a good job.

The committee which my hon. friend from High Park (Mr. Cowling) mentioned is a committee charged with the responsibility of controlling pollution in Metropolitan Toronto. It has nothing to do with my department except that we exchange notes, we exchange advice, we counsel each other. When they need help which we can give, we give it; and when we need help that they can give, we get it. This is the only close association that exists between us and many municipalities in the whole province of Ontario.

But I want to emphasize, Mr. Chairman, that there was no criticism of Metropolitan Toronto. They are doing and have done, and I am quite sure will continue to do, the best possible job they can for their people.

Hon. Mr. Macaulay: Mr. Chairman, if I may, I have been most interested in this matter of air pollution because it was originally about 1955, I think—or 1954—that I felt that my riding was so affected by it. At that time, if the hon. members will remember, the calculations were that in the sampling stations in the riding of Riverdale the amount of soot falling averaged two pounds per person.

Hon. Mr. Yaremko: The hon. Minister had it figured out in tons.

Hon. Mr. Macaulay: Pardon?

Hon. Mr. Yaremko: The hon. Minister had it figured out in tons.

Hon. Mr. Macaulay: Well, I thought it was two pounds per person, and the number of tons that fell in a certain number of days I reported—

Mr. MacDonald: Per year, or day or what?

Hon. Mr. Macaulay: Just a moment! Let us be fair about this thing. This is really what, to me, gave the impetus to encourage the government to establish a crime or rather—

This comes from the difficulty of trying to read a newspaper on one side and give a speech on another. The point, however, was that it was a serious matter and we established a special committee to look into it. There were various reports made.

I want the hon. member for Wentworth (Mr. R. C. Edwards) to be perfectly fair about this when he talks about what has taken place in the province of Ontario. There has been a tremendous improvement from the day that this matter first came into this Legislature. The hon. member for York South (Mr. MacDonald) has intimated that nothing has been done in this field and that a great deal could be done.

Now, just as a matter of interest, I would like the hon. member to consider a very serious problem and that is right in the city of Sudbury where the International Nickel Company is situated. The hon. member who sits on the hon. member's immediate right will recall the problems involved in the question of smoke belching forth in Sudbury. Here the whole countryside has been affected by the sulphur fumes. There is a—what is the man called?—there is a sulphur fumes arbitrator, or something, there. But I think the whole community of Sudbury has accepted this simple fact and it goes back to the point which the hon. Minister made; and I do not think he wanted to be quoted out of context, as he said.

He said it is where one has to make, or he would have to make, the choice of either smoke or full lunch pails, he would pick smoke. And so have the people in Sudbury simply because, as I recall, the towers which emit the sulphur fumes in the process of treating the ore are something like 500 feet high.

Are they not? They are very high in any event.

Now this has been done, every conceivable effort has been made by that company, to mitigate the air pollution it has caused. But on the other hand I think most experts would come to the conclusion that they have done all they can and that by raising these stacks even higher all they are doing is distributing the sulphur fumes over an ever-increasing area.

I think it would be unfair for the hon. member for York South to intimate, or to leave the impression, that nothing has been done, to people who have come here since this matter, as I say, first came into the House. There have been a great many things. I think one of them is that in this city and elsewhere in this province the public generally and commerce have become conscious that this is a problem.

It is a social problem as well as an economic problem. It is a social problem because it affects our health; because it deteriorates the public relations of the company involved. It is an economic problem and a social problem to our people because it affects their health. But it is also an economic problem to some of these companies.

I remember, and I think the hon. member for Oshawa (Mr. Thomas) will also recall, that there were a number of companies on Spadina Avenue which were in a metal refining—or in the battery business, I cannot remember. In any event, they were emitting up their smokestacks a material which was not smoke, and in fact I do not think could be seen, but it was a by-product of the process on which they were involved. They were encouraged, as the results of our efforts, to install a collection agency in their stacks. As a result, in my recollection, the amount of recovery of this material which they could sell more than paid for the equipment which had been used to recover it. This material, otherwise, was going loose into the atmosphere.

I frankly think one wants to be fair about this thing. We have gone a long way and you just cannot be militant and adamant and say that we can stop smoke, because there are areas where this cannot be done.

I will tell hon. members, in my own riding, which is a highly industrialized riding which is criss-crossed by a railway, several railways in fact, that there were always complaints from the residents of my riding that the smoke-belching engines were a terrible menace to them. Now the railroads have removed the smoke-belching engines and use diesel engines and they are much more concerned about the diesel exhausts than

they ever were about the smoke. The smoke was dirty but it was not as unhealthy as the fumes which come from these diesel engines.

This is a very large problem, this problem of diesel engine exhaust and I would not want the impression left abroad that this government, nor this Legislature, have not interested themselves in this problem. When it came to this Legislature in 1955 or 1956 and a committee was established we worked very hard. We produced some regulations and suggested by-laws and arrangements we thought would be helpful. As a result of it some very active steps were taken here in the city of Toronto, sir, and a department established. Is that not correct?

An hon. member: A division established.

Hon. Mr. Macaulay: A division established and they have done a great deal of work. Tests are now being taken in my riding which indicate that this has been reduced to almost a fraction of what it was before, for, frankly, it had one of the heaviest concentrations.

In terms of Hydro itself: Hydro has installed equipment at the Hearn plant and is installing it at the Lakeview plant which runs into many hundreds of dollars to collect the soot, smoke and fumes and so forth which are emitted through the stack. This is electrical equipment, mechanical equipment and so forth, and it is very expensive; but it is Hydro's contribution to this very serious problem of air pollution.

The only reason I speak now just for a moment on this, is I do not want the impression—I think there is a great deal to be done but I think we have to be sensible about this and just not leave abroad the impression that all you need to do is set up a commission and give them some power, like Bismark's iron fist, to come clumping down on industry because I can tell hon. members there are various areas, in the north certainly—Sudbury and others—where it simply would put the whole community out of business. One has to be very careful, I think, and be moderate and understanding in this problem. Frankly the problem changes almost every few months with the advances in technological development—both in terms of the fuel that is being used and in terms of the machines that are using these fuels.

I think the hon. Minister of Health is taking a moderate, but a proper, step in establishing this advisory committee, and I would not be surprised if it gave us a much clearer impression of what the problem is. There is no point in saying that, simply because one sees

some dirt in the air, the problem is therefore one of prescribing a medicine over the phone for the patient. We simply have to get into this thing. With the changes that constantly take place, and with the staff that the hon. Minister now has in his department, and with, I think, the cognizance and awareness which many of the municipalities have of this problem—which was not in existence some five years ago—I think this Legislature has taken a very noble role and has now made it a public issue for which we all have some responsibility.

It is not just enough, I think, to say to everyone in this Legislature or in this government, that we can cure air pollution, because this is not true. One factor which contributes greatly to air pollution is right in people's individual homes: whether they have their stacks clean; the kind of equipment they have to heat their homes; and whether they keep it in good condition. In many cases smoke is avoidable; it is not just a question of trapping it, is a question of burning the fuel completely and efficiently.

This is a very broad problem and I think the hon. Minister is approaching it in a very sensible way.

Mr. R. C. Edwards: Mr. Chairman, a couple of references to my remarks have been made. If the hon. members opposite are satisfied with the situation in Toronto, that is their business.

Hon. Mr. Macaulay: The hon. member should not be so sarcastic every time he gets up.

Mr. Singer: Temper! Temper!

Mr. R. C. Edwards: I was trying to be kind to the hon. members, Mr. Chairman. I am not satisfied with the situation in Toronto, and I think there is still air pollution in Toronto.

Hon. Mr. Macaulay: We think there is too.

Mr. R. C. Edwards: What I started to say, Mr. Chairman, is that I think the government is going at this thing in entirely the wrong way; I think the approach as contained in this whole Act—and I think this is only amplifying the situation—is that they are saying to the municipalities: "This is your responsibility—to take care of this smoke."

One municipality sets up a by-law and does all within its power to control the matter of air pollution in its own area. The simple

fact of the matter, Mr. Chairman, is that polluted air merely moves into that municipality from a neighbouring area. The municipality which has gone to all of this trouble has really no control over the air they are breathing, which is being polluted by their neighbours.

So I would have to take exception to the statement that the government is doing all it can. I do not think the government is doing all it can, and I do not think the government ever will do all that it can, until it assumes the responsibility for the air throughout the province, and ceases to leave this to the matter of the individual conscience of one municipality or another.

Mr. Cowling: What are we going to do about the borders of the province?

Mr. R. C. Edwards: I am sorry, Mr. Chairman, I did not hear the hon. member's question.

Mr. Cowling: Would the hon. member like to hear it a little more clearly?

Mr. R. C. Edwards: Yes.

Mr. Cowling: I agree with the hon. member about the polluted air coming across the municipal borders but, if we do something about that, what are we going to do about the border of Quebec and the border of Manitoba? Just how far can you take this thing?

Mr. R. C. Edwards: Mr. Chairman, I think I might answer the hon. member for High Park (Mr. Cowling) this way: I do not know what we will do about the borders of Manitoba and Quebec. But, if this government is sincere in tackling this in part, perhaps we might clear up Ontario; and then, perhaps, we might have some negotiations with the governments of the bordering provinces. We might be able to do something in that way if this is a problem.

I have read the report—I have read it from beginning to end—of which the hon. member was chairman, but I did not note in the report that the bordering areas of Manitoba and Quebec presented a problem. I do not think it is, but if it becomes a problem I think we could negotiate it very well with those provinces.

The point I am trying to make, Mr. Chairman, is that the addition of this committee will not solve the problem. I think it is a step forward and if it will add something to the solution it is good, but I have to agree

—and it is not very often I agree with the hon. member for York South (Mr. MacDonald)—that we are doing too little and too late, and still we are not approaching the thing as earnestly as we might. I think the government might give some thought to making some further amendments in this Act, which would, in fact, make it the municipalities' responsibility to clean up their air if the government is going to insist on autonomy of the various municipalities.

I have doubts about something else with respect to this committee. I wonder what type of people are going to be on the committee. It seems to me that, if it is going to be composed of industrialists, we still may continue to move slowly, because I agree with the hon. Minister of Energy Resources when he says that this is an economic problem. I am quite well aware of the fact that it probably will involve many millions of dollars expended on the part of industry to clean it up. We *are* concerned, as I pointed out earlier, with the waters of the province—through our conservation authorities, etc. We make grants to these authorities, which, in part, go to help clean up these waters. It may very well be—if this thing is an economic situation, beyond the ability of industry to treat it itself—that this government should take a good look at it, possibly even consider grants to clean up the situation.

I do not think it is something that can be taken lightly. I believe that this committee, as it is constituted, is simply not going to do the job; and I think the government has to take another approach, or we are going to be years and years even getting to the problem, let alone solving it.

I do not think we could quarrel with the one statement, which was made by the hon. Minister of Energy Resources, that the homes are contributing to this situation. But I do think there are very many citizens in this province who believe that the main contributors of pollution to our atmosphere are the industries themselves. And I think we cloud the issue when we bring all these little things into it. I think if we get at the big contributors we will start to make some progress.

Hon. Mr. Macaulay: I think the hon. member will realize that if he puts all the fuel that is burned in all of the homes in this province together—and the number of appliances that make use of this fuel and the dispersal of it—he will find that the homes are the largest single contributor, not the smallest, by any means. A more dramatic impression of the thing, I admit, is re-

ceived by seeing one or two smokestacks such as those in Sudbury; but nevertheless, it is not a correct impression; the homes contribute the most.

Mr. Singer: Is The Department of Health the next scalp the hon. Minister of Energy Resources (Mr. Macaulay) is going to add to his belt?

Mr. Thomas: Mr. Chairman, the hon. Minister mentioned the visit of the members of the committee to Sudbury. There has been a very great problem throughout the years in Sudbury; the council battled with International Nickel and it got nowhere. When the committee was there and the president of International Nickel was questioned on the sulphur problem, he said that they would not do anything at all about it because it was not profitable.

There has been some improvement in the Sudbury situation in recent years, but surely the hon. Minister is not going to take credit for that?

Hon. Mr. Macaulay: If the hon. member wants us to be responsible for the rain we will take credit for the sun.

Mr. Thomas: Wait a minute; the hon. Minister cannot take credit for that, for the simple reason that while it was not profitable for International Nickel to filtrate foundry fumes—sulphur, etc.—some five or six years ago, the company has now found it is profitable, because sulphur is required in the purification of the ore for the production of uranium. Since that time, they have installed filtration equipment, because it is now profitable—something they had refused to do before.

Hon. Mr. Macaulay: I would say to the hon. member that I said it was a matter of economics. If the position he is now taking is: that the company could have done this and could have continued in business, and kept all of their employees working as they have in the past—this is something which the company denied.

An hon. member: But they probably could.

Mr. Thomas: A council like that in the city of Sudbury, which is dependent on one industry alone, finds it difficult to stand up to a giant corporation like International Nickel—and while there have been some things which have been done—

Hon. Mr. Macaulay: There are some councils in Ontario that are very slow to act.

Mr. Thomas: Some things have been done in regard to a model by-law, but the greatest problem in air pollution is the question of enforcement. And I agree with the hon. members who spoke previously in this debate: The real answer to this great problem is a commission that has the authority to go out and enforce the regulations. Unless the government is prepared to do that, I am afraid that an advisory committee will be of very, very little use in the question of air pollution.

Mr. E. P. Morningstar (Welland): Mr. Chairman, hon. members, this debate is quite interesting. I just want to mention that we had this problem in my riding, especially in Humberstone township, with International Nickel. There has been damage to the farmers' crops there for years. The International Nickel plant was paying damages to various farmers throughout the area and, some two or three years ago after, when I was on the committee with the hon. member for Oshawa (Mr. Thomas), the farmers came to me with their grievances. Being on this committee, it gave me some idea of what was probably required. So I went to The Department of Health, The Department of Mines and The Department of Agriculture about the problem. These farmers were getting paid; they thought the damage was caused by sulphur dioxide. Recording instruments were put in and, through the investigation of these three departments, the cause was found to be nickel dust. Today the International Nickel plant has installed dust collectors. Last year, I am told, they did not have these collectors in operation for a full year—I think they started sometime in April, or so. The equipment was collecting about 75 per cent of the nickel dust which was destroying the crops; this year they expect much better results.

I want to congratulate the hon. Minister of Health (Mr. Dymond) and The Department of Health for the wonderful work it is doing along with The Departments of Mines and Agriculture. I think we will have the nuisance licked.

Mr. Bryden: Mr. Chairman, I would like to add to some of the comments made by my colleague, the hon. member for Oshawa (Mr. Thomas), because I think he put his finger on the crux of this problem.

He spoke specifically with relation to the International Nickel Company. We heard from the hon. Minister of Energy Resources (Mr. Macaulay) quite a long and very interesting story about how the company had done everything it possibly could but

found it simply uneconomical to refine the sulphur out of the smoke. The hon. member for Oshawa then pointed out that they very quickly discovered a method of doing it when they found a way of selling the sulphur at a profit. Now, I have no doubt that the hon. Minister would reply: Of course, that changed the economic picture, it made it economically possible to do something that they could not previously do. I would like to submit to you, Mr. Chairman, that a company, which for many years has been making net profits, after taxes, of anywhere from \$50,000,000 to \$75,000,000 a year, could have done something about that sulphur a long time ago.

Several hon. members: Hear, hear.

Mr. Bryden: This was not a starving little company that was going to go out of business, if it tried to correct the damage it was creating—not only to the city of Sudbury but to the countryside for miles and miles around. There have been more depredations created by that company than by almost anyone else that one could think of. It is a very wealthy company, making very large profits, and it should have done something about this long ago.

The reason I raise this matter and revert to it, Mr. Chairman, is because of my objection to the sort of attitude that says: Well, the companies are trying hard but they have a lot of problems. That is the sort of attitude that leads to laxness. I will agree with the hon. Minister that there are many situations which are very difficult to solve but they are not nearly as difficult in many cases as they are alleged to be. The very example the hon. Minister gave in his introductory remarks, with regard to the lunch pail and the smokestack—I am not going to quote him because I may misquote him or quote him out of context, but I will merely refer to his own reference—that remark is the sort of thing that leads to laxity. We are not faced with this sort of choice nearly as often as is alleged. Let me point out to the hon. Minister, Mr. Chairman, that there are other choices involved, that affect the lunch pail, too. For example, in my constituency, there has been quite a serious problem of smoke pollution—particularly in the southern end. The hon. Minister of Energy Resources will know about it because one of the worst problems—as far as I am concerned—arises from a factory over the border in his constituency but, unfortunately the smoke comes across, or the fumes—I do not think it is smoke in the ordinary sense—come across the border into my constituency.

There has been a real problem with respect to property values. An area which has been a good residential area for working people has been threatened. The living conditions there on occasions have been so unpleasant the people want to move out but, naturally, who is going to buy their properties from them?

So the working man finds that his lunch pail is affected because the value of his property declines.

I submit, sir, that a great deal—far too much—emphasis is placed on the difficulties in the situation. There have been difficulties; there will continue to be difficulties. But any business man, just like any other individual, is going to avoid costs if he can. That is not casting any reflection on him, but he is going to avoid them if he can.

If he is creating a problem of pollution, he is going to say it is too difficult to cure it; it is going to cost too much, he is going to go out of business, the lunch pail will be affected. That is the old threat used in almost every context from minimum wages to labour relations to smoke abatement or control of water pollution. I do not think we should put too much stress on that argument.

I think we should look at the problem from the positive point of view, that in most cases there are ways and means of alleviating it. That is the approach we should take. In this specific case of International Nickel I would submit to you, sir, that they could have done something about it long before they actually did. But they did not do anything about it until they found that it was profitable to do so.

Section 1, as amended, agreed to.

Sections 2 and 3 agreed to.

Bill No. 31 reported.

THE CANCER ACT

House in committee on Bill No. 32, An Act to amend The Cancer Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 32 reported.

THE PUBLIC HEALTH ACT

House in committee on Bill No. 35, An Act to amend The Public Health Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 35 reported.

Hon. Mr. Robarts moves that the committee of the whole House rise, report certain bills without amendment and certain bills with certain amendments and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole begs to report certain bills without amendment and certain bills with certain amendments and asks leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. J. H. White (London South): Mr. Speaker, I would now like to make certain comments and suggestions concerning a number of matters of interest perhaps to the Legislature and to the government.

The first of these points has to do with technical and technological education. I, for one, was delighted with the announcement of the \$1 million technical training programme a year ago and I am glad to say that the announcement of this programme has taken very dramatic effect, certainly in my part of the country.

For instance, it was just a few days ago that I noticed this page, the front page of the second section of the *London Free Press*. I do not think this is likely typical, but certainly pages like this appear not infrequently detailing the enormous expansion in technical training facilities in western Ontario. But this is remarkable. The headline on the page is:

O.K. NEW VOCATIONAL SCHOOL TO SERVE WALKERTON AREA

The Department of Education has granted permission to school boards in Walkerton and area to go along with plans for a 17-room vocational school addition to Walkerville district high school.

Here is the second article on the page:

SEE APPROVAL FOR HANOVER VOCATIONAL SITE

The Ontario Department of Education will approve the location of a proposed vocational wing to Hanover district high school. The wing will provide vocational training for students for three community areas.

Here is another article on the same page, the headline of:

20 SCHOOL ADDITIONS SEEN SAVING AREA MONEY

Taxpayers in the eight municipalities in the Clinton District Collegiate Institute school area were told at a meeting that a proposed vocational addition would save them money. Total cost of construction would be borne by federal and provincial grants.

Mr. Speaker, in my opinion, there is no more important matter before us here in the Legislature than this matter of technical training.

On Wednesday, May 24, in the London *Free Press* there was a Canadian Press dispatch, a few paragraphs of which I would like to read. It is a Canadian Press report written by John Byrd, datelined Ottawa. The headline is **SETTLERS SEEM BETTER EDUCATED THAN THE AVERAGE CANADIAN.**

A survey of 7,000 immigrants who became citizens in 1959 shows a generally higher level of education than the average Canadian, relatively little unemployment and a rapid increase in annual income.

The survey shows: (1) Few of the immigrants surveyed had any great trouble finding jobs after their arrival and keeping them; (2) On the average they were better educated than Canadians; (3) They tended to stick at their jobs longer and their annual income increased more quickly than the average Canadian; (4) As with native Canadians, however, immigrants without crafts and skills had difficulty getting and holding jobs.

The average period of unemployment for the group was under two weeks a year. Immigrants with skills and professions had only 3.2 weeks of unemployment over a six-year period. Those with less than eight years of schooling averaged 16 weeks out of work in that period.

There was an interesting article in *Time* magazine, I have not got the date but it was some time last spring, which said in part:

For U.S. industry the rise in unemployment to new highs last week underlined a startling paradox. All around the nation, even in such critical jobless areas as Detroit, jobs are going begging for lack of skilled workers to fill them. Industry is hard put to find enough trained craftsmen but the problem is getting worse. For every hundred skilled workers that the nation had

in 1955 it will need 122 in 1965 and 145 in 1975.

It goes on to talk about one very important aspect of technical training, namely, that in the United States, and I think this is true in Canada, it lacks a certain prestige in the minds of both students and parents and this diverts young men and women into courses of training that do not fit them for a particular job on graduation.

The article suggests:

High scholastic requirements can give the schools new prestige. In a Chicago vocational school, assistant principal Frank J. Daley says, "We have completely upset the idea that only stoops should go to vocational school. It is now recognized that a poor student is a poor craftsman." The school superintendent of Cleveland believes that vocational high schools are on their way out altogether; that the need is for a system of junior colleges and technical institutions providing training for industry advanced well beyond high school levels. Industry today is demanding greater skills than we can produce in high schools. One big obstacle to all training programmes is the prevailing view among parents that a blue-collared technician has a less desirable job than a white-collar worker, even if he earns more money. Industry has done little to counteract it.

Mr. Speaker, it seems to me that the hon. members of this House and other civic-minded leaders could have an enormous influence on the future success of young men and women if they would on every opportunity stress the importance of these children and young men and women getting more schooling and better training. It seems to me that we would be doing the young people concerned a great favour if we did everything possible to direct them into vocational courses of study.

I am glad to say that in the London area we have made quite a lot of progress in this direction.

A few months ago the grade 13 technical school, at H. B. Beal Tech, was accepted at Ryerson Institute here in Toronto as being the equivalent of first-year Ryerson. Whereas a year ago they only had about eight or ten students in their grade 13 tech, this increased prestige—and I might add it was accompanied by a tightening up of the curriculum by the addition of engineering faculty members and by the addition of improved equipment, the whole course was strengthened—and as a result of this, Mr. Speaker, this year they have 35 or 40 members. My hope is that

grade 13 tech in London will continue to succeed and that it will be possible, indeed essential, for a Ryerson-type institute to be built in London some time in the future.

May I speak for a moment or two about mental health and the facilities which this government is providing. There have been three or four new mental health institutions opened in our part of the country during the past six months, the largest of which was at Cedar Springs.

I am glad to say that the Ontario hospital right in London has been substantially improved. They have large quantities of new furniture which make the institution more agreeable to the patients being treated and which I suggest will have an efficacious result in the healing of these patients. They have provided additional service facilities at considerable cost. I am assured just very recently, by the hon. Minister of Health (Mr. Dymond) that the architectural plans for the new Ontario hospital to be located in London are going ahead as scheduled and that no undue delay is anticipated.

By the way, this new hospital has been promised to the citizens of London for 30 years, starting with Premier Hepburn. It has been almost an annual thing. I am most anxious, Mr. Speaker, that there should be no further delay and I have every confidence that the hon. Minister of Health will push these plans and this new building to the best of his ability.

I have a resolution in my hand from the city of London dated May 17, 1961, that the provincial hon. Minister of Health and the Hospital Services Commission be asked to give consideration to an amendment of the regulations under The Hospital Services Commission Act to broaden the coverage under such regulations to provide that insured persons discharged from active treatment hospitals shall be covered under the plan for the cost of drugs and nursing care required by such persons while undergoing recovery from the illness for which they had been confined in hospital for a post-hospital period of approximately 15 days, or such time as may be considered desirable or necessary by the discharging hospital authorities; and that copies be provided to the following members, et cetera.

This idea has great merit and I would like to support it. Without question, humanitarian doctors are putting patients in hospital and keeping patients in hospital longer than is necessary because they know these patients cannot pay for the drug bill if they remain out of hospital. I cannot blame the doctors

for that. It is perfectly understandable to me that a man who has dedicated his life to the care of sick people would not want to injure these people, particularly in the lower income brackets.

But it has a most unfortunate result, as hon. members know. It means that hospital beds are plugged up—they have waiting lists for them—that extensive new bed facilities must be created by the taxpayers and by the insurance premium payers in this province. I think that it might even save the people of this province money if the city of London resolution which I have read were adopted. I am most hopeful, sir, that the hon. Minister of Health and the government will give that resolution careful consideration.

During the meetings which we held on the cost of drugs, one of the witnesses mentioned an Australian drug plan. I wrote to the Australian High Commissioner in Ottawa and he was good enough to send me certain comments on the plan as well as a copy of the legislation and copy of the regulations. In his letter of March 14 he says as follows:

As from March 1, 1960, a charge of five shillings per prescription has been made to members of the general public; other than pensioners who are in possession of a pensioner medical service entitlement card, to whom no charge is made.

Prior to March, 1960, no charge was made to members of the general public for certain life-saving and disease-preventing drugs upon the presentation of a doctor's prescription. However, the list of drugs available as from March 1, 1960, is much more comprehensive.

The items available both to the pensioners and the general public are set out in the chemists' and doctors' booklets. The drugs are distributed by pharmaceutical chemists on the presentation of a doctor's prescription. Distribution is also made by approved hospitals to persons receiving treatment in or at those hospitals and in some isolated areas by approved doctors.

The chemist purchases his supply of drugs and claims reimbursement from this department at a price determined by the Minister of Health after consultation with the Federated Pharmaceutical Service Guild of Australia. An amount of five shillings is deducted in respect of each prescription, other than those written for pensioners who are in possession of a pensioner's medical service entitlement card where no deduction is made. He supports his claim on the department with a receipted prescription in each instance.

This is a programme that we would be well advised to investigate with some care. As a matter of fact, while it is not generally known, the Ontario government now is providing enormous quantities of drugs for tubercular and mental care and certain other specialized diseases. If a plan similar to the Australian plan—and I must confess I have not studied the legislation or the regulations, so I cannot advise this House to accept the Australian plan as is—but it seems to me that a plan similar to the Australian drug plan might fill a very serious need for health care in the lives of our citizens, while costing the taxpayers of the province very little indeed.

Going back to what I said a moment ago, it would relieve the pressure for new, expensive bed space.

I would like to commend the hon. Provincial Treasurer (Mr. Allan) on the almost miraculous work which he and his staff did in setting up the new sales tax regulations and all the machinery which was necessary to implement the tax which this Legislature passed last spring. It was a fantastic job. There were certain minor difficulties, no question about it, but taken as a whole and considering the period of time available to him and to his staff, I think they did a most remarkable job and rendered a great service to the citizens of this province.

I do not want to detract from that compliment by pointing out one or two weaknesses now. As a matter of fact, the first of these weaknesses is being acted upon by the hon. Provincial Treasurer (Mr. Allan) and his staff. That is the very serious difficulty which small variety shopkeepers and small counter lunch-room operators are experiencing in collecting the very small amounts of tax involved in their limited transactions. I know that one London lunchcounter owner calculated—charging his time at two dollars an hour—that it was costing him \$35 a month to collect \$18 in tax. And there are other examples which I could quote.

I am not going to spend a long time on it because I know that the hon. Provincial Treasurer is devising a formula method by which the proprietor's gross sales can be multiplied by a certain factor at the end of each month and tax paid on that basis, subject, of course, to regular audit and certain scrutiny by the department. This will completely eliminate those difficulties, if I am not mistaken.

I have a letter here from a distinguished businessman in the city of London dealing with another rather complicated complaint.

With your indulgence, Mr. Speaker, I am going to read it to the House in the hope that this problem can be solved as the last one which I discussed has been solved.

Dear Sir:

When discussing retail sales tax Act with you a month or so ago you suggested I might drop you a line, etc.—

Although we are a relatively small company we act as wholesaler, retailer, importer, manufacturers, lessor; and handle quite a quantity of machinery implements which are both unconditionally exempt and exempt for specific use. In addition, we also have one other branch in the province. We therefore manage to become involved in almost all aspects of the Act.

One of my main objections to the present administration of the Act is the use of the purchase exemption certificate. It seems to me that the use of this certificate is unnecessary and burdensome and could be easily replaced by the federal government's method of quoting permit number when purchasing items on an exempt basis.

As I now understand it, purchase exemption certificates do not become void within a time limit. We have every expectation that this Act will remain in force for many years to come and I foresee in the future a very real problem in trying to decide what to do with the purchase exemption certificates which are inactive but could become of use if a purchaser should renew from our company.

I now expect that in the normal course of events I shall have to maintain a file of somewhere between 700 and 1,000 exemption certificates which will be reasonably active as the years progress. How big this file will become I am afraid to calculate.

Where branches are involved it becomes almost necessary to maintain a complete duplication of the purchase exemption certificates at each branch. We have customers who will call into our branch for parts where they normally deal directly with head office and if they claim that they have a purchase exemption certificate on file with our head office, our branch can only accept their word for it. Where many branches are involved this must be a major problem.

On the other side of the transaction, we are already finding that when we wish to buy items from some of our suppliers on a non-exempt basis, that where we have an

exemption certificate on file there is a tendency for the supplier to ship the goods tax exempt. This means that we must then go through the necessary procedures to have them re-invoice us.

That is the crux of his argument, I think it has validity.

I say that with some assurance because we are encountering a problem almost identical with this in our own company and I do hope that the hon. Provincial Treasurer and his staff find it possible to eliminate that problem.

As you know, Mr. Speaker, foreign affairs are the responsibility of the federal government and for that reason anything that is done in foreign lands or for foreign lands must be considered Ottawa's responsibility. That does not mean, of course, that this Legislature cannot take an interest in one or two aspects of foreign relations, any more than it means that the citizen cannot take an interest in some foreign programme which attracts his support.

I am very glad to be able to tell this House that the Ontario government has undertaken to sponsor ten African students. This is of personal interest to me because the London Chapter of the African Students Foundation has been good enough to invite me to their meetings and to keep me posted on their progress. I think it is a wonderful thing that the Ontario government has gone ahead with this.

And by the way, Mr. Speaker, I have never heard or seen this news in the newspapers. I think this is just one of the hundreds of things this government has undertaken without expecting to reap any reward in the way of public relations or anything else.

I have seen absolutely nothing about it in the papers nor have I been advised by anybody in the government about it. I have this information from the minutes of a meeting of the African Students Foundation, London Chapter, dated September 8, 1961. It is interesting to me to see—

Mr. V. M. Singer (York Centre): Could I ask the hon. member, Mr. Speaker, what the government role is in that? It was my understanding this was organized by a group of private people. They worked very hard at it, made substantial contributions; perhaps there have been some government grants but I have not heard about them.

Mr. White: Well, I will be glad to answer that question. This London chapter was founded as an independent group initially by a very able, talented and vigorous high

school teacher in London by the name of Mr. Donald Simpson. He had been in Africa as part of the "Operation Crossroads" and he came back to London, very excited about the idea of helping underdeveloped countries.

He spoke to service clubs and to his amazement and delight people came forward and said, how can we help you? And they organized this with a number of other Londoners. They have since associated with other chapters across the province and their whole idea is to help underdeveloped countries on a people to people basis.

They are not asking the government to take them over, that is not the idea at all, but they are seeking sponsors and I am glad to say that the Ontario government, through the goodness of its heart, through a recognition of its wide responsibilities, has undertaken to pay the way for 10 of these African students.

Interjections by hon. members.

Mr. White: If the hon. members opposite are suggesting that the government should take over this association, I know that it would meet with very firm resistance from the people who are dedicating their lives to it.

Mr. Speaker, I have dealt with three of 14 matters which I thought would be of interest to the House but, disappointing as it may be to my hon. friends opposite, I am going to hold the balance of these for the budget debate after the recess.

Mr. A. Carruthers (Durham) moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, in moving the adjournment of the House, we will proceed on Monday with some of the second readings on the order paper and with the Throne Debate. I intend to call night sessions on Tuesday and Thursday nights of next week.

Mr. K. Bryden (Woodbine): Mr. Speaker, when is it the intention to call the estimates of The Department of Insurance?

Hon. Mr. Robarts: Well, I had not really considered it, but I will give the hon. member notice in any event.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 12.58 o'clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, December 11, 1961

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, DECEMBER 11, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests, in the east gallery, students from Havergal College, Toronto.

Petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE ELECTION ACT

Mr. J. J. Wintermeyer (Leader of the Opposition) moves first reading of bill intituled An Act to amend The Election Act.

Motion agreed to; first reading of the bill.

THE LEGISLATIVE ASSEMBLY ACT

Mr. Wintermeyer moves first reading of bill intituled An Act to amend The Legislative Assembly Act.

Motion agreed to; first reading of the bill.

THE RETAIL SALES TAX ACT, 1960-61

Mr. Wintermeyer moves first reading of bill intituled An Act to amend The Retail Sales Act, 1960-61.

Motion agreed to; first reading of the bill.

Mr. K. Bryden (Woodbine): **Mr. Speaker,** may I inquire if notice of this bill was given? There is a notice of a bill entitled An Act to amend The Retail Sales Act, 1960-61 on the order paper, but I do not see any notice of a bill to amend The Retail Sales Tax Act.

Mr. Speaker, I would ask for your ruling on this point, sir. As I understand the rules, notice of bills must be given, and the title given in the notice must be exactly the same

as the title of the bill, which is not the case here.

Mr. Speaker: It is presumed by the Speaker to be the same bill.

THE MILK INDUSTRY ACT

Hon. W. A. Stewart (Minister of Agriculture) moves first reading of bill intituled An Act to amend The Milk Industry Act.

Motion agreed to; first reading of the bill.

Mr. F. R. Oliver (Grey South): May I ask the hon. Minister to explain this bill, please?

Hon. Mr. Stewart: This bill, **Mr. Speaker,** is to clarify certain points in the Milk Industry bill and to provide for the collection of fees for testing and grading of milk by departmental officials. It is also designed to assist in bringing the co-operative trucking of milk into line with the requirements of The Public Commercial Vehicles Act under The Department of Transport. It will go to the committee on agriculture.

ONTARIO AGRICULTURAL COLLEGE, ONTARIO VETERINARY COLLEGE AND MACDONALD INSTITUTE

Hon. Mr. Stewart moves first reading of bill intituled An Act respecting Ontario Agricultural College, The Ontario Veterinary College and the MacDonald Institute.

Motion agreed to; first reading of the bill.

AGRICULTURAL RESEARCH INSTITUTE OF ONTARIO

Hon. Mr. Stewart moves first reading of bill intituled An Act to Provide for the Establishment of the Agricultural Research Institute of Ontario.

Motion agreed to; first reading of the bill.

Mr. G. W. Innes (Oxford): **Mr. Speaker,** would the hon. Minister explain the nature of the last two bills?

Hon. Mr. Stewart: The purpose of the first bill has to do with the federation of the Agricultural College, the Veterinary College and MacDonald Institute at Guelph to bring them under one administration and co-ordinate all of the administrations there. The bill will be dealt with on second reading and will be sent to the committee on agriculture.

The second bill has to do with research; it co-ordinates all of the research projects in the Ontario Agricultural College—and every other research project in the province of Ontario dealing with agriculture—under the agricultural research institute; it will be dealt with in second reading and sent to the committee on agriculture.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before the orders of the day, I wish to make a statement to this House which I believe to be of great concern and importance to the people of this province.

On November 29, 1961, the hon. leader of the Opposition (Mr. Wintermeyer) delivered a long address in which he covered at great length various matters concerning allegations of organized crime; in addition, he made what I consider to be very serious charges against certain people. On the following day I informed the House that it would be my objective to ensure that our laws are administered with integrity, fairness, with vigour and justice. I also informed the House that I would have a complete analysis of this statement made, and that I would compare the statement with the action which had been taken in and out of the courts. I said further, that upon the results of this personal investigation I would make my judgment and recommend a course of action to the government.

A detailed study of this statement indicates that it contains little, if any, evidence that has not already been uncovered by the work of the provincial police. Certainly the larger percentage of the material of any importance comes from police and prosecution files, dossiers and briefs. In this material are matters which might or might not be evidence in a court of law. Also included among the material is a great deal of background information compiled for police and prosecution use which might or might not be true and a good deal of which cannot be considered as even remotely constituting evidence which would be admissible in a court of law.

An examination of most police and prosecution dossiers would reveal plenty of information of this type which is so necessary to the police in conducting their work of investi-

gation—all of which must be examined with great care when the question of prosecution arises.

I would like to sketch very briefly the facts surrounding the gathering and documenting of this information by the police. I must point out that there are cases presently before the courts to which I will refer, and which involve to a very great extent, matters mentioned and charges made by the hon. leader of the Opposition. Many of these matters, therefore, are under consideration by the courts of this province. One of the rules of debate in this House is that a member may not allude to matters awaiting a judicial decision. Matters that are before our courts should not be discussed, in order that we may preserve the fundamental rule of our criminal law: that every individual is innocent until proven guilty. Due attention to this rule places myself and the hon. Attorney-General (Mr. Roberts) under very serious disability in giving explanations, even though this rule apparently imposes no responsibility upon the hon. leader of the Opposition.

However, I will describe briefly the course of events and will avoid specific references which might be prejudicial to any matter presently being considered by our courts. Early in February, 1960—as a result of certain information which reached the ears of the provincial police—the Commissioner of the provincial police detailed Provincial Constable George Scott to conduct certain undercover investigations in connection with an investigation of gambling activities. During the course of these investigations, Constable Scott associated with many individuals suspected of being involved in criminal activity, and to record his experiences he kept a diary. He obtained certain evidence, as a result of which a charge of bribery was laid against one Constable Wright on May 27. On June 27, 1960, Wright was committed for trial and the investigation was continued.

On July 22, 1960, as a result of these continuing investigations, charges of keeping a common gaming house were laid against certain other persons. The police investigation continued past this time.

In December, 1960—as a result of further information that had been received—a charge of conspiracy to bribe was directed to be laid against certain of these individuals. This charge came about as a result of further intensive police investigation, subsequent to the laying of the charges of keeping a common gaming house. An independent Crown prosecutor was appointed to conduct prosecution of these charges.

The preliminary hearing was held between March 21 and 27, 1961, and the accused on the more serious charge, namely, conspiracy to bribe, were committed for trial. This trial took place in the Supreme Court of Ontario before the Honourable Mr. Justice Spence and a jury, between May 19 and June 9, 1961, when the accused were acquitted.

On June 12, 1961, it was announced that an appeal would be launched against the verdict of acquittal and on June 29, a notice of appeal was prepared, served and filed. One might expect that the appeal in this matter would be heard some time early in January.

I might also point out that there are other counts in the indictment still outstanding against these accused persons, which will be dealt with after the disposition of the Crown appeal.

I give this history of the investigation, the charges, and the court procedure in these cases so that we may all understand very clearly just what action is presently being taken. I would point that the original investigations were commenced on the instructions of the Commissioner of the provincial police in February, 1960. As a result of these investigations, Mr. W. B. Common, the Deputy Attorney-General, advised the hon. Attorney-General of the evidence that had been obtained; the investigation then continued, with the decision to lay charges being reached—on May 21, 1960—to issue on May 27. This decision was made by the hon. Attorney-General upon the advice of his legal staff.

I might point out that the diaries referred to in the statement of the hon. leader of the Opposition were compiled by Police Constable George Scott, who had been directed to carry out this work by his superiors. I would point out also that the work which he was doing was of the most dangerous nature to himself, personally. The notes which he put in these diaries were bound to include some things which were factual, some things which were pure gossip, and some which were boasting. The people with whom he was associating and investigating use, as their stock in trade, names, assertions of acquaintanceship and indications of familiarity. And yet, to the investigator, all these matters had to be recorded—not as matters of truth in themselves—but as a record of the mere fact of conversation, and in the hope that from them would be developed and sifted evidence which might be used in court.

In connection with the ordering of the prosecutions, I can say that the Deputy Attorney-General advised the hon. Attorney-

General, early in May, to lay charges as a result of the information received. There was, however, a request that the investigation be continued and, therefore, the laying of the charge was deferred until May 27.

This was done upon the recommendation of, and with the full knowledge of, senior members of the legal department of the hon. Attorney-General. They were fully aware of the contents of the diaries and were fully aware that these diaries would be turned over to an independent Crown counsel—with instructions to use the information in the diaries as he saw fit—to prosecute the accused.

In the course of the preparation for trial, certain junior solicitors were engaged to assist the Crown counsel. I am satisfied that it is from one or more of these solicitors—who were engaged and retained on a highly confidential basis—that a great deal of information was handed to the hon. leader of the Opposition. I do not intend to elaborate on the ethics of this conduct other than to say that it did happen. Furthermore, I would point out that, when certain charges were heard in the preliminary hearing, the unrevised and uncensored contents of the diary were made available to defence counsel, and within a very short time certain parts of these diaries became common knowledge and gossip, and reached the ears of various people. I can only point out that, as a result of these events, information which was actually the result of Crown investigations going back for some very considerable period, is now being used in an attempt to impugn the integrity of the very persons under whose direction the investigations were conducted, and under whose direction the material was gathered and the dossiers were prepared.

I would like to make clear my own personal position in this matter. I have been given the responsibility of setting up a new administration in the province and I have no intention of disregarding charges such as have been levelled at two of the departments of the government, and at the senior administrative personnel of those departments. On the other hand, I must bear in mind that investigations into the conduct of public officials and police officers can be very destructive of morale. In addition, such investigations can be used to disclose to the criminal elements of our community, information and facts which would otherwise be denied them. This aspect of the matter must be borne in mind.

It is the intention of the government, as indicated by Bill No. 24—which is An Act to amend The Police Act—to introduce a new

body into the administration of justice, to be known as the Ontario Police Commission. While I do not intend to debate the principles of this bill, I would like to refer to the broad aspects of what we intend to achieve, and how this body will affect the broad pattern of law enforcement in this province.

The new Ontario Police Commission, as contemplated, will be composed of three persons appointed by the Lieutenant-Governor in Council with power to investigate, inquire into and report upon the conduct of, or the performance of duties of, any policemen in the province and the general administration of any police force. It also has power to carry out general investigation. The commission is designed to be completely independent of any control by any department of government—along with its obligation to report yearly to the Attorney-General, to the Lieutenant-Governor in Council and to this assembly. In addition, this commission will have all the powers that may be conferred under The Public Inquiries Act.

It is our intention that this commission will examine on a continuing basis, over a period of time, all matters having to do with crime in Ontario and all matters having to do with the administration of the various police forces. One can see the advantages in such a body. In the first place, it is completely free from all external influence and will operate on a continuing basis over a period of years and thus will develop a knowledge of the organization of our police and the enforcement of our laws over a long period of time. In addition, it will develop a continuing knowledge of the broader trends of criminal activity—not only in this jurisdiction, but in the jurisdictions that surround us.

Despite the obvious advantages which will accrue as a result of the creation of this body, I am none the less very concerned, as I have said, about the charges that have been made in this House. I am concerned because of my position, as I have mentioned, with a new administration. I am additionally concerned because I feel that these charges have served to disturb public opinion, and to create in the minds of the people of the province some doubts and fears regarding the extent of crime in this province.

A week ago last Thursday I stated that it would be my objective that the administration of justice in the operation of our law enforcement agencies—such as our police forces—would be operated with integrity, and on the highest planes of both justice and efficiency. I have no intention of altering these objectives

in any way. I have received two letters which I intend to read to you and which clearly express the concern of certain senior personnel. The first letter reads as follows:

PARLIAMENT BUILDINGS,
TORONTO 2,
DECEMBER 6, 1961.

THE HONOURABLE JOHN P. ROBERTS, Q.C.
PRIME MINISTER OF ONTARIO,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

MY DEAR MR. ROBERTS,

With reference to the recent statements in the Legislature reflecting upon the honesty and integrity of senior officials of this department, with respect, I cannot urge too strongly that an inquiry be held at the earliest possible moment.

It is my opinion, however, that consideration must be given to the fact that the prosecution in question is still *sub judice*.

Yours faithfully,
(signed)
W. B. COMMON
Deputy Attorney-General.

The second letter reads as follows:

PARLIAMENT BUILDINGS,
TORONTO 2,
DECEMBER 6, 1961.

THE HONOURABLE JOHN P. ROBERTS, Q.C.
PRIME MINISTER OF ONTARIO,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

MY DEAR MR. ROBERTS,

In view of the statements made in the Legislature at the present session clearly reflecting upon the integrity of senior officials of the Attorney-General's department, I would, as Director of Public Prosecutions, urge that an inquiry into the matter be held as soon as possible.

Yours faithfully,
(signed)
W. C. BOWMAN,
Director of Public Prosecutions

I might say, in considering the insinuations and charges of the hon. leader of the Opposition—and, for that matter, the hon. member for York South (Mr. MacDonald)—I have had to bear in mind the necessity for immediate and complete investigation.

I have also come to the opinion that while the Ontario Police Commission, which I have described to hon. members will serve a very **great purpose** over a continuing period of time, it will not serve to dispel the worries and fears which I feel exist among our people as a result of the many charges and accusations.

I therefore feel that in order to discharge my own responsibility to the people of the province and to satisfy myself in these early days of a new administration, and to ensure to all of us that the standards of conduct and investigation and administration of justice in all its phases are the highest in our province, I have decided to establish a Royal commission and I so recommend to the Government. I have asked the Hon. Mr. Justice

Roach and he has agreed to act as commissioner.

The terms of the commission are as follows:

To inquire into and report upon

1. the administration of the laws and regulations regarding the incorporation and operations of social clubs, having regard to allegations made by the hon. leader of the Opposition in his speech of November 29, 1961.

2. any improper relationships—as alleged by the hon. leader of the Opposition in his speech of November 29, 1961—between senior officials of the legal staff of The Department of the Attorney-General and any person or persons—and more particularly relating to

- (a) the termination of investigations;
- (b) the suppression of evidence;
- (c) the payment of money.

3. the extent of crime in Ontario and the sufficiency of the law enforcement agencies to deal with it.

Mr. Justice Roach is a man of great ability, of great and varied experience and a man in whom the people of Ontario may have every confidence. I will welcome the results of his investigations and I hope that the hon. members opposite will bring forth their charges—and any information they may have to substantiate them—in order that we may obtain and view all the facts of these matters.

I would like to repeat that I feel it is of the utmost importance that there be no doubt in anyone's mind in this province concerning the honesty and integrity of our officials, the sufficiency of our laws and the adequacy of our enforcement agencies to deal with the criminal elements that exist in every society. More particularly must we have confidence that we can deal with any criminal element that may choose to attempt to cross our borders from another jurisdiction. We can all be certain that a most complete and impartial investigation will take place, and that the necessary machinery will be established to deal with these matters in an efficient and complete way. I can assure the hon. members of this House and the people of the province that I and this administration will be satisfied with nothing but the best in the administration of justice and the maintenance of law and order. We will welcome the report of this Royal commission, and if any action is necessary as a result of the report, we will be standing ready and able to take it. And if these many accusations and imputations fall short we will leave to the court of public

opinion the decision as to their propriety. Our purpose and intent is clear, and we will abide by the result.

Interjections by hon. members.

Mr. Speaker: I recognize the hon. leader of the Opposition (Mr. Wintermeyer) for his question.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, are you suggesting that I am limited to one question only in conjunction with it?

Then, Mr. Speaker, I move, seconded by Mr. F. R. Oliver (Grey South), the adjournment of the House to discuss a matter of urgent public importance—that is, the policy of this government to cope with organized crime in Ontario.

Mr. Speaker: Mr. Wintermeyer moves, seconded by Mr. Oliver, the adjournment of the House to discuss a matter of urgent public importance—that is, the policy of this government to cope with organized crime in Ontario. I have had no notice of this motion, so therefore, I—

Interjections by hon. members.

Mr. Wintermeyer: Mr. Speaker, may I suggest that this motion specifically does not require notice.

Mr. Speaker: I had not got that far. I said I had no notice of the motion, and as the hon. member points out I do not require one, but it is possible that I could rule the motion out of order.

Mr. Wintermeyer: Mr. Speaker, I suggest to you that the motion I have made is very much in order. Firstly, as you said, no notice is required; and, secondly, Mr. Speaker, this is a matter of great public urgency and importance; a matter, Mr. Speaker—

Interjection by Hon. G. C. Wardrope (Minister of Mines).

Mr. Wintermeyer: Mr. Minister of Mines, I have never in my life taken a position to which I am more dedicated and you are one man who will not distract me.

Interjections by hon. members.

Mr. Wintermeyer: Mr. Speaker, I suggest that on November 29, I did outline a request for a Royal commission, and specifically, Mr. Speaker, I outlined six conditions that I suggested were prerequisite—

Mr. Speaker: Order. I would point out to the hon. members of the House that, in these matters of moving the adjournment of the House to discuss a matter of urgent public importance, in the first place we know that no member shall speak to such motions for more than 10 minutes. And, of course, it mentions here in our book of rules that a motion to adjourn the House or the debate shall always be in order, except that, without leave of the House, no such motion for the adjournment of the House shall be made until the orders of the day have been entered upon—unless a member rising in his place shall propose to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, which matter has previously been submitted to, and approved by, the Speaker. I therefore rule the motion out of order.

Hon. Mr. Wardrope: Mr. Speaker, before the orders—

Mr. E. W. Sopha (Sudbury): Look, George, will you sit down for a while?

Mr. Speaker: Order. We will deal with this matter.

An hon. member: It is quite in order.

Mr. Sopha: Mr. Speaker, sir, if you would give me your indulgence on this for a moment. I looked into the authorities on this matter and it is quite clear; first, Mr. Speaker, as you have pointed out, the subject matter of the motion need only be handed to you in writing; this the hon. leader of the Opposition has done. However, Sir Erskine May says quite clearly that upon such a motion—usually with the indulgence of the House, and your permission, sir—the person who moves such a motion is given an opportunity to make a few remarks in connection with its character. Now, I would ask you, Mr. Speaker, just to reconsider your decision—and, permit the hon. leader of the Opposition to make a few personal remarks.

An hon. member: Away out of order!

Mr. Sopha: How would you know?

Mr. Speaker: Order.

Mr. G. Laverne (Russell): That is right.

Mr. Speaker: I state once again that I consider the motion out of order and unacceptable. I consider, too, that plenty of time has been given to this matter and since the whole question was the appointment of a

commission it seems to have been dealt with on that basis.

Mr. Wintermeyer: Mr. Speaker, with respect—with great respect—I must challenge your ruling.

Mr. Speaker: Would the hon. member like to challenge the ruling of the Speaker?

Mr. Wintermeyer: Yes, sir.

Mr. Speaker: As many as are in favour of the Speaker's ruling will please say "aye."

As many as are opposed say "nay."

The Speaker's ruling was upheld on the following division:

YEAS	NAYS
Allan (Haldimand-Norfolk)	Belanger
Allen (Middlesex South)	Bryden
Auld	Bukator
Beckett	Chapple
Brown	Davison
Brunelle	Edwards
Carruthers	(Wentworth)
Cass	Gisborn
Cathcart	Gordon
Cecile	Gould
Connell	Innes
Cowling	Manley
Daley	Newman
Downer	Oliver
Dymond	Reaume
Edwards (Perth)	Singer
Evans	Sopha
Frost	Spence
Gomme	Thomas
Goodfellow	Thompson
Grossman	Trotter
Guindon	Troy
Hall	Whicher
Hanna	Wintermeyer
Haskett	Worton
Hoffman	-24
Johnston	
(Parry Sound)	
Johnston	
(Carleton)	
Laverne	
Lawrence	
Letherby	
Lewis	
Mackenzie	
MacNaughton	
Morningstar	
Myers	
McNeil	
Nickle	

YEAS

Noden
Parry
Price
Robarts
Roberts
Rollins
Root
Rowntree
Sandercock
Simonett
Spooner
Stewart
Sutton
Wardrope
Warrender
Whitney
Yaremko

—55

Mr. Speaker: I recognize the hon. Minister of Mines (Mr. Wardrope) if he has a question.

Hon. Mr. Wardrope: Mr. Speaker, before the orders of the day, I wish to make a statement to this House with respect to certain allegations made by the hon. member for York South (Mr. MacDonald) on Friday, December 1, relative to the Big Duck Lake area, Thunder Bay district, with particular reference to KRNO Mines Limited. I have thoroughly investigated the matter of the geological studies undertaken in that area and I can assure the House that they were made in the ordinary course of business and procedures. Every year geological field bodies are sent to various parts of the province by The Ontario Department of Mines.

Mr. Wintermeyer: On a point of order, Mr. Speaker—

Hon. Mr. Wardrope: I have the floor, Mr. Speaker. The Opposition does not want to hear the truth. All they want to do is make allegations.

Mr. Speaker: Order! I understood the hon. Minister wished to ask a question. Now I realize that there may be a question to be asked of the previous speaker and I think to keep the business of the House in order we should proceed on that basis. However, I was not eager to let the ambition of the Minister go entirely unrewarded, and I see my view is not unanimous at this time.

Mr. K. Bryden (Woodbine): I would like to ask a question of the hon. Prime Minister (Mr. Robarts), arising out of his statement; this would be the appropriate opportunity if he would permit me to ask it. I did not have

an opportunity because the hon. leader of the Opposition—

Mr. Wintermeyer: Mr. Speaker, may I state my point of order?

Mr. Speaker: An hon. member can state his point of order at any time.

Mr. Wintermeyer: Mr. Speaker, the point of order that I want to make is this: If a Royal commission has been appointed, then the matter that the hon. Minister of Mines is alluding to is, presumably, *sub judice* and I would like your ruling now in respect of whether or not any member can talk on this subject.

Mr. Speaker: I will deal with that matter when we come to it. At this time I would say that if an hon. member wishes to ask a question arising out of the statement of the hon. Prime Minister, that is perfectly in order at this time.

Mr. Bryden: May I proceed with my question, Mr. Speaker? I would like to ask the hon. Prime Minister if in view of the fact that the announcement he has just made represents—

Interjections by hon. members.

Mr. Speaker: The hon. member for Woodbine (Mr. Bryden) has a question which is perfectly in order.

Mr. Bryden: Thank you, sir. My question to the hon. Prime Minister is this: If, in view of the fact that the statement he has just made—and the announcement of policy he has just made—represents a complete reversal of the policy which the hon. Attorney-General stubbornly adhered to throughout—

Mr. Speaker: Order, order! The hon. member knows perfectly well that a question is for the purpose of seeking information, not for the purpose of giving it. If the hon. member cannot observe this rule I will not observe the hon. member.

Mr. Bryden: Thank you, sir. My question is this—

Hon. Mr. Wardrope: Mr. Speaker, may I carry on?

Mr. Bryden: Is it to be anticipated that the resignation of the hon. Attorney-General (Mr. Roberts) will be forthcoming?

Interjections by hon. members.

Mr. Speaker: Order!

Mr. L. Troy (Nipissing): Mr. Speaker, I have a question—

Hon. Mr. Wardrobe: Mr. Speaker, before the orders of the day—when I was so rudely interrupted—I wished to make a statement to this House with respect to certain allegations made by the hon. member for York South (Mr. MacDonald) on Friday, December 1, relative to the Big Duck Lake area, Thunder Bay district, with particular reference to KRNO Mines Limited. I have thoroughly investigated the matter of the geological studies undertaken in that area—

Mr. Wintermeyer: Mr. Speaker, on a point of order—

Mr. Speaker: Order! We are going to consider all statements relative to the matters mentioned by the hon. leader of the Opposition and by the hon. Prime Minister as *sub judice* at this time; a Royal commission has been appointed and therefore such matters are considered *sub judice* at this point.

Mr. Troy: Mr. Speaker, before the orders of the day, I have a question which seeks information, directed to the hon. Minister without Portfolio (Mr. Grossman).

Interjections by hon members.

Mr. Troy: Mr. Speaker, I have a question; do I not have the floor, sir?

Mr. Speaker: Order! Hon. members will recognize the speaker and realize that we are trying to do business which is before the House. I am quite sure that the hon. Minister's statement has something to do with the matter immediately before the House and I am assuming that what the hon. member (Mr. Troy) is rising for, is something new—am I right about that?

Mr. Troy: It is, sir.

Hon. Mr. Robarts: Mr. Speaker, I wanted only to say to the hon. leader of the Opposition (Mr. Wintermeyer) that the statement that the hon. Minister of Mines (Mr. Wardrobe) is attempting to make concerns only administrative procedure in his department and does not concern any of these matters that we have discussed in either the address of the hon. leader of the Opposition or in anything that I had to say. I just tell him that as a matter of information in order to get down to the business of the House.

Mr. Wintermeyer: The hon. Prime Minister (Mr. Robarts) has been very kind in his

explanation but I would ask him simply this: Does the Royal commission that he has appointed limit itself—in respect to the social clubs and the department of the hon. Attorney-General and the department of the hon. Minister of Mines—to the so-called allegations that I made on November 29?

Hon. Mr. Robarts: For the information of the hon. leader of the Opposition, I will read the terms of reference again, Mr. Speaker.

There are three paragraphs and the third one is: The extent of crime in Ontario and the sufficiency of the law enforcement agencies to deal with it.

Mr. Wintermeyer: That is the third one. This is a point of great seriousness to the House. Mr. Speaker, the hon. Prime Minister has referred to the third observation or paragraph. My interpretation of the first two paragraphs was that they were limited to the so-called allegations that I have made. Now is that right or wrong, Mr. Speaker? Surely we have a right to ask that question in specific terms?

Mr. Speaker: The hon. members realize that they do have the privilege of asking questions; hon. members are also privileged not to answer those questions.

Mr. Sopha: May I ask the hon. Prime Minister whether commission counsel has been appointed and, if so, his identity?

Hon. Mr. Robarts: Mr. Speaker, he has not yet been appointed.

Mr. Wintermeyer: Will there be an investigating branch associated with, or attached to, the Royal commission?

Hon. Mr. Robarts: Mr. Speaker, these matters will be dealt with—

Mr. Wintermeyer: They are of the greatest importance, Mr. Speaker, and should be determined now.

Mr. Troy: Mr. Speaker, I have a question. It is not as cold where I was, as it was in Port Arthur. My question is to the hon. Minister without Portfolio (Mr. Grossman), the chief commissioner of the Liquor Control Board of Ontario: What is the policy of the Liquor Control Board of Ontario in regard to part-time employment of personnel in retail outlets at any time—and particularly during the Christmas rush? My second question is, does the board in its policy comply with the provisions of the veterans' preference as permitted in Ontario?

Mr. Lavergne: Would the hon. member repeat that? I did not hear it.

Mr. Troy: The question was not directed to the hon. member for Russell.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, I thank the hon. member for giving me notice of this question, but I thought that question No. 1 was somewhat ambiguous because it refers to a policy in regard to part-time employment in retail outlets at any time—and particularly the Christmas rush. I wanted to know what specific question he really wanted answered, such as the recruitment policy or remuneration, etc.

I attempted to reach the hon. member some time early this afternoon to get him to clarify it and I spoke to him before the orders. He agreed to ask a specific question along the lines I suggested to him. If he cares to do that now, it is all right with me, Mr. Speaker.

Mr. Troy: Yes, Mr. Speaker. The second question, of course, had to do with veterans' preference. I knew that the hon. Minister had the answer to that because I know there was a change in the post of chief commissioner; I thought there might also be a change in policy in that regard. The first question was prompted by the fact that I find in certain areas—

Hon. Mr. Grossman: Mr. Speaker, with all due respect, I was trying to do the courteous thing to the hon. member and give him an opportunity to ask a specific question that could be answered specifically. Apparently he wants to get up and make a speech on that. In that case I will say that I will take question No. 1 as notice and that if the hon. member wishes to clarify it at some future date I would be glad to give a specific answer.

In respect of his question No. 2: Does the board in its policy comply with the provisions of veterans' preference—my officials tell me that the answer to that is "Yes."

Mr. Troy: I will clarify the first question then. The hon. Minister asked me to clarify the first question.

Interjections by hon. members.

Mr. Bryden: Mr. Speaker, before the orders of the day—

Mr. Speaker: Order, order.

Mr. Troy: Mr. Speaker, I was going to clarify the question.

Interjections by hon. members.

Mr. Speaker: Order, order. I would ask the hon. members when the Speaker is on his feet, that this House give order to the Speaker's chair. Hon. members will see the difficulty we get into when we have explanations of questions, rather than direct questions at this point. Certainly the hon. member could ask more questions tomorrow, but at this point the hon. member for Woodbine (Mr. Bryden) has the floor.

Mr. Bryden: Mr. Speaker, before the orders of the day I would like to direct a question to the hon. Attorney-General (Mr. Roberts), who I believe is the proper person to answer on behalf of the government.

In view of reports appearing in Saturday's press to the effect that the automobile insurance rates charged in Ontario by private companies will be increased by as much as 15 per cent in some cases and by an average of 8 per cent effective January 1, 1962, will the government indicate if it is prepared to take action before the Christmas recess of the Legislature to prevent rates from being increased over their present level until there has been an opportunity to consider the recommendation made by the select committee on automobile insurance in its interim report that machinery for regulating rates be established?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, my understanding is that there is no report of the select committee before the House at the present time.

Mr. Bryden: This report is public knowledge.

Hon. Mr. Roberts: But I would say this: I think perhaps I might outline the normal procedures with respect to rates under section 335 of The Insurance Act:

The superintendent may require a rating bureau to file notice of changes in its schedule of rates.

Each year the Canadian Underwriters' Association, which actually represents or is composed of what is known as the so-called warrant companies—doing something less, I believe, than 50 per cent of the total business—these people forward to the superintendent a copy of the statistics prepared annually on all automobile insurance written in Canada divided by territories in the various rating classes.

The latest statistics filed cover policies written in the five years, 1956 to 1960, which

show a steady increase in the average cost of public liability and property damage claims. On the basis of these statistics they have discussed with the superintendent of insurance the changes in automobile rates considered necessary for 1962 in the different automobile classifications. He has considered with care the proposed rate changes and the statistical basis therefor, and he is of the opinion that the proposed rate changes are justified by the experience.

It is anticipated that the adjusted rates will be no more than sufficient, according to his statement—that is the superintendent's statement—to allow the companies a profit on automobile insurance of a maximum of 2½ per cent of premiums, and in the superintendent's opinion the proposed rates are not excessive.

It might be pointed out that some 30 years ago, section 339 of The Insurance Act was in a series of sections, unproclaimed sections, they never have been proclaimed certain sections. In practice the submissions by this board of the Canadian Underwriters' Association of proposed rates is made to the superintendent and analyzed by him. But section 339 of The Insurance Act, which has never been proclaimed, allows the superintendent to order an adjustment of automobile insurance rates whenever it is found by him that such rates are excessive, inadequate, unfairly discriminatory or otherwise unreasonable. Under the present arrangement, however, whereby the Canadian Underwriters' Association in effect gets approval to the changes, this proclamation has never been considered necessary. That is the position, Mr. Speaker.

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading upon motions:

Bill No. 1, An Act to confirm the Revised Statutes of Ontario, 1960.

Bill No. 12, An Act to amend The Fish Inspection Act.

Bill No. 14, An Act to amend The Bailiffs Act, 1960-61.

Bill No. 15, An Act to amend The Coroners Act.

Bill No. 16, An Act to amend The Crown Attorneys Act.

Bill No. 17, An Act to amend The Devolution of Estates Act.

Bill No. 20, An Act to amend The Jurors Act.

Bill No. 21, The Legitimacy Act, 1961-62.

Bill No. 22, An Act to amend The Master and Servant Act.

Bill No. 23, An Act to amend The Mechanics' Lien Act.

Bill No. 25, An Act to amend The Reciprocal Enforcement of Maintenance Orders Act.

Bill No. 26, An Act to confirm the Revised Regulations of Ontario, 1960.

Bill No. 27, An Act to amend The Summary Convictions Act.

Bill No. 28, An Act to amend The Trustee Act.

Bill No. 29, An Act to amend The Dentistry Act.

Bill No. 30, An Act to amend The Sanatoria for Consumptives Act.

Bill No. 31, An Act to amend The Air Pollution Control Act.

Bill No. 32, An Act to amend The Cancer Act.

Bill No. 35, An Act to amend The Public Health Act.

SPEECH FROM THE THRONE

Mr. A. Carruthers (Durham): Mr. Speaker, in rising to participate in this debate it is again a matter of pride for me that I do so on behalf of the good people of Durham county—that historic riding which has played such an important part, and is playing such an important part in the economic and cultural life of Ontario.

May I first take the opportunity of congratulating the mover, the hon. member for Toronto-St. George (Mr. Lawrence), and the seconder, the hon. member for Renfrew North (Mr. Hamilton), for the motion for an address in reply to the Speech from the Throne. Their speeches are typical of those we are accustomed to hearing from the government benches, Mr. Speaker, in that they were refreshing, informative, challenging and delivered in a very capable manner. I congratulate them both very sincerely.

May I also at this time, Mr. Speaker, join with the other hon. members of this House in expressing my sincere regrets on the loss to this Legislature in the deaths of Mr. Maloney, Mr. Nixon, and Mr. Wren—three hon. members for whom I had great respect

and whose passing since we last met, breaks that chain of friendship that transcends all political ties and imposes a loss on all of us; a loss we share in sincere sympathy with their families.

It is always a pleasure, Mr. Speaker, to show my appreciation to those who serve this Legislature in important roles. It gives me great pleasure at this time, therefore, to once more express my thanks to you for your kindness and your thoughtfulness on so many occasions and to congratulate you on the dignified and unbiased manner in which you continue to fulfil the duties of your high and important office.

It is also a pleasure at this time to have the opportunity of congratulating all those who have assumed new and important duties of office. I will not take the time of this House to congratulate them individually but in offering my felicitations collectively, for the recognition which has come to them as a result of their ability and their services, I would echo the sentiments expressed so capably by the mover and seconder of the motion of thanks in reply to the Speech from the Throne.

May I, however, be granted the privilege of expressing my sincere congratulations to the hon. Prime Minister (Mr. Robarts) on his election by the largest and most enthusiastic convention ever held in this province, to the most responsible and important position he now holds. His fine record in the service of Her Majesty's forces, his dedicated service to the people of his riding and the capable manner in which he has fulfilled his duties of office have won for him the respect and admiration of all.

The confidence which the rank and file of our party have placed in him, Mr. Speaker, will be reflected in the days to come, not only in continued support for the policies of this government but by support from areas which have not adhered to them in the past. In the changes which have taken place, Mr. Speaker, we have witnessed the passing of one era and the introduction of another.

In the passing of the former we pause to pay tribute to the then Prime Minister of this province (Mr. Frost), who, I am sure, wishes to be recognized as the unassuming but none the less devoted representative of Victoria. History will record his administration as one of unprecedented progress in the development of this province and his almost quarter-of-a-century of service to the people of Ontario, 12 years of which were as Prime Minister, is reflected in the physical expansion of our resources. The greatest

monument to his outstanding leadership will be found, Mr. Speaker, not in the physical accomplishments, but in the enviable position he has established in the hearts and minds of the people of this province.

In the ushering in of a new administration we witness, I am sure, the advent of a new era of prosperity for this province under new and dynamic leadership. This debate always affords a private member an opportunity of expressing and reflecting in some measure the opinions and the ideas of the constituents whom he represents, and in the limited remarks which I wish to make I will endeavour to keep that in mind.

In doing so my task is made easier by the opinions expressed editorially and presswise by the various newspapers serving my riding. These include the *Port Hope Guide*, one of the few daily papers, Mr. Speaker, published in towns of that size; the *Canadian Statesman* of Bowmanville, regarded across Canada as one of the outstanding weeklies and winner of various awards over the years; the *Orono Times* and in addition the *Oshawa Times*, and the *Peterborough Examiner*, all of which provide excellent news coverage for that area.

Agriculture is still the basic industry of Durham, and my county has shared in the general rise of farm income in this province, Mr. Speaker, which has reached an overall total of some \$883 million. When that amount is related to the income of industries associated with agriculture, the total would reach a figure double or triple that size.

The county of Durham is blessed by Providence with a great variety of soil and other conditions which lend themselves to the establishment of many branches of the industry. The healthy condition of agriculture in Durham is reflected not only in the high quality of agricultural products but in the strength of our farm organizations, the Federation of Agriculture, the Farmers Union, the junior farm groups, Durham County Tobacco Growers Association and others.

The members of these groups have recorded outstanding achievements in competition with other areas of the province. Durham county farmers realize the importance of marketing upon the future prosperity of the industry and they are appreciative of the government's legislation in this respect. Practically every branch of agriculture is in the process of forming marketing boards. The success of the hog marketing plan has pioneered this type of marketing with the result that the egg producers, the milk producers and the corn producers are now about to vote on similar plans.

Great credit is due to the former hon. Minister of Agriculture (Mr. Goodfellow) and his department in respect to this form of legislation. The Co-operative Association Act, which will be introduced this session, will, I am sure, be of great assistance to the co-operative movement in Durham by assisting in the marketing and transportation of agricultural products.

In this respect, Mr. Speaker, I feel that every effort should be made to bring into closer relationship the compulsory form of marketing adopted by various commodity groups and the voluntary marketing policies of the co-operatives.

The tobacco industry, which has brought a great new source of income and employment to Durham county, is at the present time enjoying a period of prosperity, but like other branches of agriculture, faces certain problems in the future; not the least of these will be the effect of the growth of the European economic community on our export trade in that product.

The tobacco industry is faced at the present time with a demand on one hand for increased acreage by growers and prospective growers, and on the other by the necessity to provide markets for increased production. I would therefore urge the government, in co-operation with the federal administration, to give serious consideration to the proposals which I understand are to be made by the industry in that respect.

Ontario has been fortunate, Mr. Speaker, in having men of high calibre as Ministers of Agriculture. The contribution of the former hon. Minister in assistance to agriculture has been immeasurable, and the hon. Prime Minister (Mr. Robarts) is to be congratulated on choosing the hon. member for Middlesex North (Mr. Stewart) as a worthy successor. His ability and successful experience in the field of agriculture make him well qualified to fulfill the duties of that important portfolio.

I wish to thank and commend the former hon. Minister of Highways (Mr. Cass) and the present hon. Minister (Mr. Goodfellow) for the continued development of the highway system throughout our riding. The completion and opening of Highway 401 through the riding will, I hope, bring needed industrial and commercial development to that area.

The proposed establishment of service centres on Highway 401 is of concern to the business people of Port Hope, however; the general feeling is, Mr. Speaker, that they are a necessity and cannot be avoided. We

have, however, numerous attractions in our lakeshore towns of interest to tourists, and I would ask that consideration be given to establishing facilities at these centres for the promotion of the attractions, in co-operation with the local boards of trade, chambers of commerce and other bodies. In this respect I am sure we have the full co-operation of the hon. Minister of Travel and Publicity (Mr. Cathcart) and his department.

I appreciate the co-operation of the department in the erection of an overhead sign at the junction of Highway 401 and No. 2. This has been of great assistance in designating the cut-off at this point and in correcting a rather dangerous situation. Further consideration should be given, I feel however, to establishing a decelerating lane at this point in order to make it a perfectly safe intersection.

The further development of Highway 7A in the county from Highway 35 will provide an excellent artery to the northern part of the riding for the travelling public and residents of that area. The steadily increasing traffic on Highway 115 will warrant widening at least a section of that highway in the foreseeable future and no doubt the department is giving consideration to this fact at the present time.

I would point out, Mr. Speaker, that at the intersection of this highway and the Newcastle road a serious traffic hazard has developed. This will be intensified by the completion of the new Clarke district high school because this intersection is the crossing point for children going to the local school. It is also the pick-up point for the children going to another school in Bowmanville and it will be the focal point for the school buses serving the new district high school. I will be asking for assistance in remedying a situation which already has been the scene of three serious accidents.

I would also ask that consideration be given to improving the entrances from 115 to the village of Orono. Both of these entrances in my opinion, and in the opinion of the local people, are dangerous, particularly with the increased traffic on 115 and they are not in keeping with the flourishing business life of that beautiful village.

Last season saw the opening in Bowmanville, Mr. Speaker, of one of the finest local museums to be found anywhere in the province of Ontario, located in beautiful surroundings and made possible largely by the generosity of Mrs. Williams of that town. This museum houses an excellent display of pioneer life, much of it of such a unique

character that it cannot be found elsewhere in the province.

I strongly recommend this fine tourist attraction when visiting the town of Bowmanville. The town has been assisted greatly in developing this project through the advice and financial assistance of The Department of Travel and Publicity.

In no field of our economic development has this government been more zealous than in the field of education. It is hard to realize the vast changes that are taking place to meet the requirements of a rapidly expanding school population and to maintain our position in the struggle for economic supremacy. Durham county has taken every advantage of the assistance offered by this government.

The past season saw the opening of several new elementary schools in the county through the consolidation of many one-room schools. In October of this year, the present hon. Prime Minister officially opened the new secondary school at Courtice, which has relieved crowded conditions at Bowmanville and has provided a modern and beautiful building for the education of the youth in that area.

As soon as an announcement was made that a programme of vocational training was to be introduced, to the cost of which the federal government would contribute 75 per cent and the provincial government 25 per cent, the enterprising citizens of Port Hope in conjunction with the Durham District High School board, immediately took action with the result that plans have been completed and approved for a new composite wing to the present secondary school in that town. This school will serve a large area, Mr. Speaker, and will provide four courses including a five-year course leading to university; a four-year course which will provide needed training for responsible business positions, a two-year terminal course for those planning to leave school at age 16, and a one-year occupational course for those who have not been promoted from grade 8.

This programme, Mr. Speaker, will do much in providing a maximum of education for our young people, consistent with their abilities and ambitions.

There is always a danger, Mr. Speaker, that in providing a programme such as this, there is a tendency on the part of many students to take the course which will require the least work. I am pleased to note that the department has taken the precaution in this respect to make each of these courses truly challenging. In other words, the courses

are designed to fit the academic ability of the student but the amount of work required remains constant.

I am also pleased to see the introduction this term of a guidance programme in our elementary schools in grade seven and eight. I would suggest that this programme be directed also towards the parents, who must assume a great deal of the responsibility for the guidance of their children in these formative years.

I would also like to add a word of commendation, Mr. Speaker, for the work of The Department of Lands and Forests, particularly in respect to the continued development of the Darlington Provincial Park. This park, on the outskirts of Oshawa, and Bowmanville, is providing excellent recreational and camping facilities for thousands of visitors each season and its situation lends itself very readily to use as an area for winter sports as well.

I wish at this time, Mr. Speaker, to read into the record a letter which I have received from the Canadian chapter of the National Shade Tree Conference with respect to the spread of the Dutch elm disease.

MR. ALEX CARRUTHERS, M.P.P.,
QUEEN'S PARK.

DEAR SIR:

Today thousands of beautiful elm trees stand dead across the province due to the spread of Dutch elm disease. If these diseased trees are allowed to remain standing to be the host of the beetle which spreads the disease it is quite possible that the elm will disappear completely from our landscape. What a tragedy this would be.

With this problem before us the Canadian Chapter of the International Shade Tree Conference wish to appeal to you and to your colleagues to take whatever measures are necessary to prevent this loss to the people of this province. If all dead elms were removed and the wood destroyed, the elm beetle would have no place to reproduce. Reducing the number of elm bark beetles is the most important factor in controlling the spread of this disease.

The cost of removing dead elms in a community could become too great a burden, and it is because of this expense that many municipalities are not removing their dead elms, and each year the problem becomes more serious. If the communities could be assisted in meeting this cost the main obstacle would be removed in the control of this disease. It is the hope of this association and all who understand the value of our trees to the well-being of our people that our government will recognize the necessity to assist in saving the elm trees of Ontario.

I do wish to thank you for your interest in this problem.

Yours very truly,
J. HIMMEL,
President.

The destruction caused by this disease, Mr. Speaker, is the concern of all, but I am particularly concerned in this respect as the elm is one of the most common and most beautiful shade trees in our county, and I would ask therefore that every assistance be given to our municipalities in controlling this dread disease.

May I suggest that it could be very readily made part of a winter works programme, and a very fine example could be set by attacking the spread of this plague in the elms which add so much beauty to the grounds around many of our government institutions?

We in Durham county, Mr. Speaker, are deeply appreciative of the many forms of assistance provided by this government and I have referred to but a few of them. I should mention the substantial assistance given to the town of Bowmanville in the addition of a large new wing to the Memorial Hospital of that town; to the generous offers of assistance to the Port Hope Hospital Board in the building of a new hospital to serve that area. The building of a new hospital in Port Hope involves the sale and future use of the present hospital; and here again I would ask for the assistance of various departments of the government—in any way that they may be able to provide—in making use of this building which is still in excellent condition.

The vast majority of the people in my riding, Mr. Speaker, accept private enterprise as basic and indispensable to their well-being and progress, and in doing so they have demonstrated those qualities of citizenship and responsibility so requisite in the building of good community life. One of the interesting and exciting features of my riding is that it consists of people who differ widely in their backgrounds, in their ideas as to problems and in their methods of solving them. The variety of cultures, customs, crafts and ideals has resulted in a spirit of tolerance on the part of our people.

This is why I believe the county of Durham is a progressive county in which the freedom of ideas and the pooling of those ideas has prevented democratic stagnation. They are people who believe in good citizenship; they understand that good citizenship demands independence of thought and action. Although the welfare state, which our socialist friends so strongly proclaim, may be noble in its purpose, it does provide more and more of those things which men once provided for themselves.

Mr. T. D. Thomas (Oshawa): That is what they said about the hospital programme before they introduced it.

Mr. Carruthers: This includes, Mr. Speaker, the making of decisions for people which they once made for themselves, and the assumption of responsibilities which were once theirs. Such a system does something to the moral fibre of our people, which is not good. It

takes away some of those qualities, Mr. Speaker, which have—down through the centuries—distinguished men from animals. Paternalism in government—such as our socialist friends propose so strongly, aims to elevate man socially and individually by protecting him; but in protecting him, it subdues him and robs him of those qualities of independence so necessary to good citizenship and to national survival. The building of a nation does not depend on a detailed blueprint or a master plan, it is founded on the spirit of its people, and if that spirit is subdued, so likewise will the nation be subdued.

The citizens of Durham county—as in other parts of this province—do not simply live and earn a living in their respective areas, but in their freedom of enterprise, within a free society, they have the opportunity of contributing to the community of which they are a part, and in that contribution they have achieved dignity and respect. The greatest weakness of socialism, I feel, Mr. Speaker, is that no individual—neither the leader or any of his followers—assumes any sense of responsibility or accountability. As has been so apparent on so many occasions in this Legislature, the blame is always put on someone else.

I am thankful, Mr. Speaker, that I represent a people who believe in and practice the spirit of free enterprise within a framework which provides security for those who—through no fault of their own—are unable to take advantage of the opportunities available.

We have seen what socialist planning can do to people in Saskatchewan where, in the past year, some 13,000 people left that province with few replacements. The majority of these people are coming to Ontario, where the social philosophy is one of opportunity based on reward for effort, rather than the negative pursuit of the welfare state.

Mr. Thomas: The hon. member is talking a lot of nonsense now.

Mr. Carruthers: The hon. member can speak after I am through. The state in which socialist planning puts more and more people on the public payroll, a state which resembles a hive of bees, in which—contrary to the natural law of the hive—the drones multiply and starve the workers, so that the idlers consume the food and the workers perish.

Mr. Thomas: Who wrote that?

Mr. Carruthers: I wrote it myself.

Mr. Thomas: I should have known the hon. member wrote it himself.

Mr. Carruthers: Thanks. I firmly believe that no government can operate business as efficiently as private enterprise. Every time governments start experimenting in the business field the victim of their experiment is the public. This was clearly illustrated on more than one occasion in the province of Saskatchewan.

Private enterprise today pays most of the taxes, it provides most of the jobs, it has done most to raise wages, and has given us all our factories and our jobs. It has built the ships that ply our waters, it has developed the railways that span our continent, it develops inventors and builders of business through the free association of ideas. It originated the principles of efficiency so vital in the operation of any business. It has done most to lower costs and prices through competition. It alone can raise the standard of living, and it alone is the hope of our people. We are going to see in the days to come, Mr. Speaker, that political philosophy is going to crystallize into two main groups—that of private enterprise and that of socialism.

Therefore I appeal to our friends, the hon. leader of the Opposition and his followers, to forsake that middle road along the mountain of progress, lest their feet continue to slip into the lush green valley of socialism. A valley where life appears free of difficulty, where labour is secure and planned for all—but where there is a lack of initiative, Mr. Speaker, and where the gas of economic stagnation pollutes the air, crushing the virility and creative power of its people.

Leave that middle road I say to you, scale with us—in the strength of private enterprise—the heights where the challenge is great, but where vision is boundless, where the breath of freedom freshens the air, where opportunities are unlimited and progress is the goal.

Mr. V. M. Singer (York Centre): Mr. Speaker, as I rise to join in this debate I want to compliment the office which you hold, sir, and the way in which you rule the order of this House. I want to join with the other hon. members who have paid tribute to those of our colleagues who have passed away since we last met, and say with them that we shall miss each and every one who is not here with us today.

Mr. Speaker, certain events have transpired this afternoon which, I think, deserve a little comment. Bearing in mind your ruling earlier this afternoon, I cannot quarrel with the rules and the vote that was taken in the House, supporting those rules. I do, however, suggest, sir, that it would only have been

fair had the hon. Prime Minister (Mr. Robarts) risen in his place, consented to the motion put by the hon. leader of the Opposition (Mr. Wintermeyer) and allowed him to speak when the hon. Prime Minister had made his announcement.

Certainly the hon. leader of the Opposition has made his position abundantly clear throughout the length and breadth of this province over the past nine months, and certainly this is a matter which is deserving of great and substantial public comment. Mr. Speaker, I think it was most unfair that the hon. Prime Minister of the province—by a deliberate manoeuvre enrolling the hon. Minister of Mines as his supporter—shut off the comments of the hon. leader of the Opposition and did not allow his statement on this important issue.

Mr. Speaker, since the government members have spoken so glowingly of a certain convention which took place in this city, I thought it might be worthwhile to say a few words about that convention. We have heard it was the greatest convention ever—that a new era has come to the province of Ontario—but for those of us who sit over here and have looked with eagerness and hope for some changes to take place over there, I must admit it has been very disappointing.

We have a new premier. One of my hon. colleagues described him as a rose between two thorns, one of the thorns is missing this afternoon and I am a little sorry about that because I want to talk about him in a little while. But, by and large, Mr. Speaker, we have the same old faces, some of them in new places, and this parades as the Cabinet of Ontario. Very little has been changed—nominally, in any event. However, Mr. Speaker, I am going to suggest that there have been some changes.

We do not really have one Cabinet any more as we used to have in the old days, when the hon. member for Victoria (Mr. Frost) was ruling the roost. I think, in fact, we have three cabinets.

We have the Cabinet who bear the titles, the hon. gentlemen who sit opposite us—the old faces, some of them, as I say, in new places; then, Mr. Speaker, I think there is another cabinet; the hon. Minister of Energy Resources (Mr. Macaulay) figures very largely and prominently in that cabinet. As we listened to the various bills that were brought in early in this session it became reasonably obvious that he was trying to gather unto himself as many portfolios as he could swallow quickly, and in a very brief period of time.

As we listened to the debate just the other afternoon in connection with air pollution, we watched with interest of course, Mr. Speaker, his effort, his designed effort to hang another scalp on his belt—the scalp of The Department of Health.

Mr. Speaker, we have in the city of Toronto a gentleman who describes himself as “the mayor of all the people.” I would suggest to you that in the government of Ontario, we have a gentleman who, even if he does not attach the title to himself, can be reasonably described as the “cabinet minister of all the departments!”

That is cabinet number two.

Now, Mr. Speaker, it has become reasonably obvious to us on this side of the House that we have a third cabinet. These perhaps are people who do not bear any titles but might be referred to as “the kitchen cabinet.” The hon. member for London South (Mr. White), I think, figures as a very prominent member of that “kitchen cabinet.” It has been very interesting to note the authority with which he makes his great pronouncements—particularly the pronouncement he made the other afternoon which resulted in such disastrous occurrences so far as government fortunes were concerned. It is very interesting to see, and it will be of continuing interest to the people of Ontario to see, just who is the boss over there.

Mr. Speaker, the old days have gone, and the old fox from Victoria no longer rules the roost. Apparently there is no one over there who rules the roost. This government is collapsing.

Interjections by hon. members.

Mr. Singer: Well, Mr. Speaker, it is rather a pity that the hon. members of the government party cannot appreciate what is really happening. Not too many years ago a strong Prime Minister—his name was Howard Ferguson—was succeeded by a man named George Henry, and it did not take long before the bitterness that was engendered at that convention ruined the Tory party in Ontario, just as the bitterness, which grew up out of the convention recently held in this city, is ruining this party here today.

Mr. Speaker, I wanted to deal with a few of the remarks that were made by the hon. member for London South (Mr. White). I am sorry he is not here this afternoon, but I am certain some of his colleagues will be able to convey to him the import of my message. I regard him as a bright, intelligent, unusual Tory, and up to this time I think he

has handled himself very well in the House. Somewhere along the line—and I do not know why the hon. Prime Minister (Mr. Robarts) says he knows nothing about it—he took it upon himself—if we accept the Prime Minister at his word—to challenge our hon. leader. And, Mr. Speaker, he made the most serious mistake of his life.

In our hon. leader, as all hon. members of this House know, we have a man of honesty and integrity, who has put forward his ideas and ideals and advanced the purposes of the people of Ontario. Everything he said, leading up to the hon. Prime Minister’s announcement this afternoon, was said in the best interests of the people of Ontario, and in my opinion, Mr. Speaker, it lay badly in the mouth of the hon. member for London South to make the nasty, inconsequential, untrue statements that he did in this House on Friday afternoon.

He said—if he is correctly quoted in the *Globe and Mail*, and I presume he is: “But I know Mr. Wintermeyer’s offer is a hollow offer—I challenge him to step out.” Well there is no point in dealing with that challenge; the challenge was taken, as the hon. member for London South should have known it would be taken. He tried to explain away the idea of a Royal commission and his hon. leader this afternoon has disowned his statement that a police commission would be enough. His stay in the “kitchen cabinet” might not be so long.

Speaking of the “kitchen cabinet,” Mr. Speaker, I thought it might be of interest to the House to note that even London can have too many Cabinet ministers. I suppose that some of the resentment that wells forth from the mouth of this young man is caused by this fact of life. You can only have a fixed number of Cabinet ministers from the city of London.

Mr. Speaker, he made some charges—allegations addressed to my hon. colleagues. He suggested people had told him that what my hon. colleague from Sudbury (Mr. Sopha) had done was chargeable in the criminal courts of this province. I suggest to him, Mr. Speaker—if he is convinced that this is in fact so—that he, as an hon. member of this House, has but one course to take, and that is to go out and lay those charges, either against my hon. colleague from Sudbury or against my hon. leader or against any one of us. And if he has not got the courage to lay charges where he thinks charges should be laid, then the hon. member for London South has no business talking like this either here or anywhere else in this province of Ontario.

Then, Mr. Speaker, I thought that the lowest point he reached in his speech was when he talked about McCarthyism; and again, if the *Globe and Mail* report is correct, he said this:

Mr. White said that the House was accustomed to unsubstantiated charges from the New Democratic Party but did not expect the methods of McCarthyism from the Liberals.

I use those words deliberately, and I say to you, Mr. Speaker, if ever an hon. member of this House should be thoroughly and completely ashamed of anything he has said, the hon. member for London South should be in that position when he hurls charges of McCarthyism either at the hon. leader of the Opposition or any of my hon. colleagues here on this side of the House.

It is unfortunate, Mr. Speaker, that I am a little hemmed in by the announcement of the hon. Prime Minister this afternoon and so I will go on now to another subject.

Mr. Speaker, we had in the city of Toronto a few days ago a so-called prize fight for the championship of the world. This fight was run under the auspices, or under the control at least, certainly under the supervision of the hon. Minister of Labour (Mr. Warrender) through his athletic commissioner. A man by the name of Patterson was fighting with another man by the name of McNeeley.

It is interesting to note, Mr. Speaker, that the city of Boston had said: "We really do not want any part of your fight, get it out of here because you will not abide by our rules and regulations." The city of Toronto, the athletic commissioner and through him the hon. Minister of Labour, welcomed these people with open arms and allowed this fight to be billed as a world championship fight.

There was some discussion, Mr. Speaker, as to who the judges were going to be. The athletic commissioner said: "I will appoint all three judges." A gentleman by the name of Cus D'Amato the manager of Patterson, said: "Oh, no, I am going to appeal to the Minister of Labour"; and appeal he did. And Cus D'Amato won! The hon. Minister of Labour overruled the athletic commissioner and Cus D'Amato was allowed to appoint one of the judges.

Mr. Speaker, it seems a little ridiculous to me to have our government participating in such a fraud on the people of Ontario.

Here we have a so-called championship fight taking place between one gentleman who is very capable—and his capability was

illustrated by the fact that in four rounds he knocked down his opponent 11 times—and another gentleman whose apparent claim to fame was that he had never been beaten by anybody, but nobody had ever heard of him before. His name did not appear in any of the ratings of any of the ring authorities, he had not beaten anyone who was rated. The athletic commissioner, and through him the hon. Minister of Labour, and through him the government of Ontario, said: "Come in; we welcome you with open arms."

Mr. Speaker, I have no objection if people want to pay \$50 a seat for an exhibition fight. That is their privilege. But when the government of Ontario lends itself to a phoney promotion of this type, which has been thrown out of the State of Massachusetts, the city of Boston, and when they allow themselves to be influenced by the promoters of these fights, then I say that we are misleading the people of Ontario and using this office to the wrong extent and for the wrong purpose.

Mr. Speaker, a year ago one of my hon. colleagues dealt at great length with what might be the role of the Ontario athletic commissioner and I suggest to hon. members he was correct. If the Ontario government should have any role in controlling prize fights, surely they should do the same thing as they have done with wrestling. When they see a phoney as obvious as the Patterson-McNeeley fight on the horizon, they should bill it as they do wrestling matches, as an exhibition. Then if anybody wants to go it is their privilege. The government lends itself to this false and misleading promotion and should be thoroughly condemned for it.

Mr. Speaker, I now want to deal with an incident that I think is of very substantial interest to the hon. members of this House and in so doing I want to lay a little of the background. I want to quote very briefly from The Department of Municipal Affairs Act, and particularly sections 17, 18, 19 and 20 of it. These sections deal with the method by which an audit can be held.

On the complaint of a group of ratepayers an audit of the financial affairs of a municipality can be ordered. Section 22 particularly says:

After the audit has been done, the department may fix fees and allowances for expenses payable with respect to any audit of the affairs of a municipality under this part and the fees shall be forthwith paid by the municipality.

This is very important. From time to time, occasions arise when petitions are addressed

to the government asking that audits of the affairs of a municipality be made. In 1956, this government received from some rate-payers in the municipality of the township of Clarence a request that an audit be made of their municipality's affairs. A little later, the government asked a firm of auditors—need I add, a Conservative firm of auditors—from the city of Sudbury, called Demarais and Parisienne, to conduct this audit, to look into the affairs of the township of Clarence.

Mr. Speaker, on October 3, 1956, Demarais and Parisienne produced this report.

It is not a long report, it runs through some nine and a half pages. I am not going to burden the House with reading the whole report, but it is interesting to note that the report says that under highway expenses honorariums were given to various people. Travelling, banquets, honorariums, travelling, and so on; these were things that went on in the township of Clarence. There is some question about machinery rentals, sales of crushed stone, directors' salaries, and so on. Needless to say, all was not fine in the township of Clarence.

This report is a little difficult to follow, it is not perhaps as clear as I would have liked to have seen it. In any event, Mr. Speaker, the auditing firm of Demarais and Parisienne did make this report.

The inquiry did disclose that certain schemes had been worked out to defraud the province by obtaining subsidies for such things, as I say, as honorariums and banquets. Apparently there were invoices which could not be traced. Subsequently, The Department of Municipal Affairs, I am advised, cancelled the auditor's licence.

I am advised that The Department of Agriculture lost about \$900 and has not recovered any of it. I am advised that after this report came out The Department of Highways conducted its own audit and came to the conclusion that some \$25,000 in subsidies were paid improperly. I understand that they were able to recover these subsidies by denying to the township of Clarence future grants. I understand, too, that The Department of Education lost about \$5,500; whether they got that back or not I do not know.

Mr. Speaker, it should be emphasized that section 20 of The Department of Municipal Affairs Act says when the department has certified the costs of such an audit they shall be forthwith paid by the municipality.

On July 2, 1957, a letter went forward from The Department of Municipal Affairs to Reeve R. LaBrache and the council of the

township of Clarence, at Bourget post office. The letter said:

As a result of this audit costs of some \$12,579.88 were run up. Would you please pay these?

This was in accordance with the section of The Department of Municipal Affairs Act that I have already read. Nothing apparently has been heard in reply from the council or the reeve of the township of Clarence from that date to this.

A few months ago, Mr. Speaker, you will recall there was a similar type of investigation into York township. Granted it was under a different section of a different Act, but there is a similar provision to the one I read in The Department of Municipal Affairs Act in The Municipal Act. Section 320 says that the costs shall be paid in the same way when they have been fixed and when a request has been made. There has been a discussion, led by the representatives of the council of the township of York, as to whether or not they should pay them. On August 9, this article appeared in the *Toronto Globe and Mail*, and I will quote briefly from it:

Reeve Frederick Taylor said the revised statement resulted from a meeting with Premier Frost. He said the Premier had been informed that the township did not have the money in the budget to pay the cost of the inquiry. Township Clerk H. G. Courtman said Premier Frost told the township delegation that under The Municipal Act it was the responsibility of the municipality to pay for an inquiry. What Mr. Frost said is quite correct. The Premier informed the delegation it would not be fair for taxpayers throughout the province to pay for an inquiry in a particular municipality.

This is the government's attitude, and certainly it is in accord with what is in the statutes.

A few days later an editorial appeared in the *Globe and Mail* and, just quoting a sentence from it, it says this:

Mr. Frost said quite correctly that The Municipal Act makes the township responsible for the cost of the inquiry and that in any case it would be unfair to make the whole of Ontario pay for straightening out illegality, incompetence and neglect in York township's own affairs.

That sentence makes some sense, Mr. Speaker.

Mr. Speaker, you will recall I referred you to a letter written by K. Grant Crawford, the then Deputy Minister of The Department of

Municipal Affairs, to Reeve LaBrache and the council of the township of Clarence. In that letter he asks that the money be paid, some \$12,000. I suggest that no reply was ever received.

Strangely enough, Mr. Speaker, in the public accounts of the province of Ontario for the fiscal year ended March 31, 1957, at page L 5, this entry appears:

Commission investigation, Demarais and Parisienne, \$12,579.88.

Mr. Speaker, I wonder who on the government side of the House took it upon himself to breach the statutes of Ontario? I wonder by what right anyone on the government side of the House can set himself above the law of the province of Ontario? I wonder if it is more than a coincidence that the township of Clarence is in a riding represented by an hon. Minister of the Crown and the township of York is in a riding represented by the hon. member for York South (Mr. MacDonald)?

Whether that had anything to do with the decision or not, I do not know, but I suggest to you, Mr. Speaker, that no one in this House has a right to set himself above and beyond the law. If the law applies, as the then hon. Prime Minister (Mr. Frost) said it did in the case of York township, surely it should have applied in the case of the township of Clarence.

Mr. Speaker, I thought that the time might be appropriate to say a few words about civil defence. Recently we had an exercise called Tocsin B. It was gratifying to find that certain members of the Cabinet could be saved, if they could get to Camp Borden. Similar arrangements apparently have been made to save certain members of the federal government if they can get to a place called Carp which is near Ottawa.

But really, Mr. Speaker, I wonder if there is any point in having governments if there is going to be nobody left to govern. I know that the Prime Minister of Canada has said that to criticize civil defence or emergency measures is to give aid to the Communists; but I am prepared to do this and I am prepared to run this risk, because I do not think that what we have parading under the head of civil defence or emergency measures is of any use at all to the people of this province. It is one of the most asinine and hysterical moves that any government has ever taken. I think it should be condemned as loudly as it possibly can be.

Certain basic questions must be asked.

Is there any defence in an atomic war? The United Kingdom and Russia apparently do not think that anything can be done along civil defence lines. There is some hysteria, some substantial hysteria, here in North America—shelter-crazy, if hon. members want to call it that.

Are the shelters any good? Some scientists say yes, they are; and some say no, they are not. Who is right?

I presume that the government has received the correct advice and has taken the advice of those scientists who know what they are talking about. For as many authorities as say that shelters are good, an equal group on the other side say that they are no good.

What sort of a civil defence scheme have we got? Is it not true that the whole civil defence scheme is being based on the dropping of one bomb? What happens if two bombs are dropped? Nobody has put forward an answer to that!

Mr. Speaker, we have the fascinating moral and philosophical discussion as to whether or not it is right for one to shoot one's neighbour who might try to get into one's air raid shelter.

The *Toronto Daily Star*, in a cartoon a few days ago, set this out very well, I thought. It showed a picture of three youngsters playing, two boys and a little girl. The two boys were dressed up like soldiers and they built a little hut, which presumably was supposed to be an air raid shelter. The little girl was standing off in front of them, crying bitterly, and complaining that she did not like to play civil defence any more because she did not want to be the neighbour who was always getting shot.

Surely, Mr. Speaker, we have reached a sad state in our way of life when this is a topic that intelligent people argue about and discuss.

Let us then accept, for the sake of argument, that shelters might save somebody. When people come out of the shelters where do they go, what do they eat, what do they have to drink?

For a while we heard about evacuation schemes and everyone in Metro was going to be evacuated to the riding of the hon. member for Bruce (Mr. Whicher). That idea seems to have been abandoned. In Tocsin B apparently there was further talk about evacuation. Nobody seemed to know quite how it was going to work. Small wonder, because if hon. members know the condition of the roads in the Toronto area on any

holiday weekend when people going on holidays cannot even get out, what is going to happen in the case of an emergency?

Let us talk about shelters for a minute, Mr. Speaker. We presume that a bomb is going to be dropped, I suppose, when everybody is at home and preferably in the summer time; and that by the time it is dropped everyone will have his own self-contained shelter. This is just not so. What happens to people in offices? What happens to people in churches, in schools, in apartments, in shops and factories, in hospitals?

The hon. Minister of Health (Mr. Dymond) was quoted a few days ago, when he was asked about what was going to happen to the mental patients, as having replied to the reporter who asked the question: "That was a good question not to ask."

Surely we have reached a pretty poor and low condition in our approach to human welfare when an hon. Minister of the Crown has to say it is a better question not to ask on an inquiry as to how the patients in mental hospitals are going to be saved in the event of a disaster.

Mr. Speaker, there is a document I have here in my hand—

Hon. M. B. Dymond (Minister of Health): May I rise on a point of privilege? May I advise the hon. member that if he had read the rest of that article, he would have got the direct answer I gave to the reporter's question.

Mr. Singer: I have the article here, Mr. Speaker, and I have gone through it carefully. I am unable to find anything more than that reference. It is an article by Mr. Bertin, the science editor of the *Toronto Daily Star*.

Hon. Mr. Dymond: Read the remainder of the article.

Mr. Singer: I have read it several times.

Hon. Mr. Dymond: I categorically deny, Mr. Speaker, that I gave that answer as I have gone through the report.

Mr. Singer: It may be that the hon. Minister is misquoted.

Mr. Speaker, I was going to say I had a document here in my hands which I think is of sufficient importance that it should be read in detail here in the House. This is a transcript of a broadcast called "Toronto File." It was aired by the C.B.C., in a television

broadcast, on May 4, 1961, and it goes this way:

Toronto on a sunny day in May. Life goes on as usual with traffic on the downtown streets, and in residential areas children play in school yards. Suddenly a siren screams, screams the signal that a hydrogen bomb will hit Toronto soon.

Anxious faces; can they survive?

Then there are siren noises and sounds of bombs dropping.

The threat of nuclear attack on Toronto is a threat we have been living with for many years. To help meet that threat, Metropolitan Toronto Civil Defence Organization was formed in 1953. In practice, Metro Civil Defence has exercised authority over all 13 Toronto municipalities ever since, although legal control was final only a few weeks ago. How effective is Metro Civil Defence in helping us survive a nuclear attack? Well, tonight we will try and find out.

First, Reeve Waffle of Etobicoke, chairman of Metro's Civil Defence Committee, tells us about recent bad publicity civil defence has been receiving in the press:

Waffle: I do not think it has been justified because with a better understanding of the survival plan I believe it is the responsibility now of people who are in charge of the news media, the newspapers, the TV and the radio to get the true story across to the people rather than hysterical reporting or something that has been taken out of context. They, the news media, have a tremendous responsibility in assisting us—and I say us, you and I, the citizens—in understanding better the plans that we have to follow in case something is going to happen.

Q. What are your problems?

A. Our problem is that I do not believe sufficient numbers of people understand civil defence and what we are trying to do.

Q. What is Metro Civil Defence trying to do?

A. Well, these are the boundaries of Metro Toronto.

and I presume that they were indicated on a map.

If a hydrogen bomb were dropped in Toronto, the damage might be extensive but not completely destructive. For example, if a bomb fell here, at approximately Yonge and St. Clair, the total destruction would be only this area—about six miles

across—and unless residents evacuated this area first, nothing, or no one would survive. But across this larger area, outside the immediate bomb blast zone, people could survive, in fact most of us might survive a nuclear attack—but survive only if we knew what to expect and what to do.

Announcer: Metro Civil Defence was designed to make sure that each of us, you and I, would have the best possible chance of survival. A man charged with this tremendous responsibility is the co-ordinator of Metro Civil Defence, H. H. Atkinson.

I may say, Mr. Speaker, that Mr. Atkinson has since resigned and has now been replaced by another gentleman.

Atkinson: The policy and public education is set by Ottawa which publishes most of the public education material. Up to now that has been very sparse, but it is starting to come in and by the end of next month we expect quite a bit of it to be available for public education.

Q. Why do you think the material has been sparse? Civil defence has been in operation for, what, since 1953?

A. Yes, but the system was all changed from mass evacuation to voluntary evacuation and shelter, just a year and a half to two years ago, which changes practically everything they had done.

Q. How many bodies, trained bodies, will be required to carry out any civil defence plan in the event of a strike here?

A. Oh, to carry out a complete plan for a city of this size, an area of this size, would need approximately 90,000 people.

Q. That is in addition to personnel now operating in utilities or municipality offices?

A. Yes.

Q. How many have you trained?

And remember, Mr. Speaker, this is May, 1961.

A. Up to February we had trained approximately 23,000, which leaves us 67,000 to go. The people we have trained are mostly key personnel.

Announcer: We are going to pursue that in a moment. Last summer to assist the administration of civil defence in Toronto, Civil Defence headquarters organized Metro into four zones, each with a separate zone controller—the east zone covers the township of Scarborough, the north zone covers the township of North York and Leaside, the west zone covers Etobicoke and the

central zone extends over the downtown area of the city. Now, because civil defence estimates a nuclear attack will probably destroy the central part of the city, the most vital zones in terms of aiding in survival lie in the perimeter zones of the city. We talked with the three controllers of the perimeter zones; first, Pat Johnson of the east zone.

Q. How many trained volunteers in your zone?

Johnson: By trained, you mean the people who have had that personal survival training, first aid and all that? It goes well over 1,000.

Q. How many do you think you will be able to call on in the event of an emergency?

A. In specialized training in an emergency, I imagine, almost anywhere from 250 to 300 people.

Do not forget, Mr. Speaker, that the Metropolitan controller said that he needed 90,000 people to conduct a proper defence scheme here in Metropolitan Toronto. In one zone, the zone controller says from 250 to 300 people.

Q. Paul Tuz is the controller of the north zone; how many trained volunteers in your zone?

A. Trained specialists, approximately 750.

Q. And you could call on all of these and get them out?

A. Well in the case of a disaster, if necessary, I could probably count on 250.

Announcer: Bill Wilson, is the controller of the west zone. How many trained volunteers in your zone now?

A. At the present time, I could muster 150.

Q. How many do you think you will need?

A. Well I think we would need in the neighbourhood of 10,000 to 14,000—and he has 150!

Q. How long do you think it will take to reach this complement?

A. Well, I do not feel under the present conditions, under which we are working, it is possible to reach this.

Q. Ever?

A. No.

Announcer: In the central zone the available trained volunteers, as Mr. Atkinson

mentioned, stood at about 1,200. We should mention here that in preparing the programme we talked to the zone controllers and the co-ordinators separately. They have no knowledge of what the other said. We also talked with a man dedicated to training you and me to survive, and how we can help others to survive, Metro's chief civil defence instructor, Reg. Johnson.

Q. What message do you have for getting information to the public?

Johnson: Mainly by personal contact with organizations. Home and school groups, churches, I.O.D.Es, and any existing organizations.

Q. Do you think personal contact is adequate?

A. Personal contact alone, definitely not. No.

Q. What else do you need?

A. To do the job properly as far as public education is concerned, you must have what you would eventually call an advertising programme—TV, radio, booklets, newspapers, pamphlets—and I suggest something in every home in Metro.

Q. Why is this not being done?

A. It is just incomprehensible to me, I do not know.

Q. Do you have a public information office?

A. No, we do not.

Announcer: The purpose of civil defence as outlined in this civil defence report is to educate the public in ways and means of surviving. In last year's budget Metro's civil defence received \$25,000 to spend on public education. On public education they spent only \$5,000. The second duty of civil defence is to help voluntary evacuation of the city. In the event of an impending attack it is still conceivable that we should have some warning, perhaps three hours or perhaps three days. Civil defence was designed to assist any one of us who wish to leave the city to do so before the attack occurs. Evacuation is voluntary—that means I could go if I wish or stay if I wish. Let us assume that I am one of several hundred families who decide to go, will I be able to get out?

A. You will, under a certain amount of traffic control. Which means the same as any traffic control. In the case you have just quoted the roads will be pretty well filled. Persons would have to be directed to the various roads, according to road capacity, to keep the traffic rolling.

Q. What are your plans for traffic control and voluntary evacuation in your zone?

A. Well, we have no specific laid-down plans because it is something we are not in a position to do ourselves.

Q. As well as getting people out of the city, civil defence must be prepared to keep some people in the city, Mr. Atkinson explains. Some people would have to remain in the city in the event of voluntary or mass evacuation. Who would have to remain and how many people would have to remain?

A. They are labelled as "chief personnel". They are the people who would maintain public utilities which cannot be left without attention; also certain essential industries which are vital to any emergency proposition would have to be kept going. For instance, a foundry; you just could not walk out at a minute's notice and leave a foundry. The same with public utilities, your water, pumping system and that sort of stuff, would have to be manned.

Q. How many people would be required to stay?

A. That is up to the individual utility, and up to the individual commercial organization.

Q. What part does civil defence organization play in the maintenance of public utilities?

A. Merely the co-ordination of planning. Each one makes his own plan, and these plans have to be co-ordinated here.

Q. What is the plan?

A. I do not follow the question.

Q. I mean, what is the plan for maintaining services in the area?

A. Well, there has been a lot of discussion on it but the plans are not actually completed yet.

Q. When did civil defence headquarters last call a meeting of all Metro municipal services, existing services, with all the various departments of Metro Civil Defence?

A. All the various departments—you mean the existing departments?

Q. Yes.

A. To my knowledge there has never been one that I know of.

Announcer: Although in a natural emergency civil defence works in conjunction with the Army, its responsibilities never

cease. To carry out this responsibility, civil defence needs facilities and equipment. What equipment is needed by civil defence in this area to face the possibilities of an attack?

A. Well, generally there is enough equipment outside of one or two special types available in Metro to cope with most phases of disaster. You would need some specialist equipment, like geiger counter equipment and that sort of stuff, which will either have to be bought or obtained from the federal government.

Q. As late as May, 1961, an important man in the civil defence set-up said he had no geiger counters. When will these be available?

A. Well, the policy has not yet been decided.

Q. Does this mean that if a strike were registered here, within the next six months, we would certainly not be prepared?

A. We would be fairly well prepared.

Q. We would not be prepared before six months?

A. Yes, I think we are in pretty good shape now.

Q. What about equipment — training equipment — radio sets, trucks; have you sufficient equipment in this respect for training purposes?

A. For training purposes, no, not by any means.

Q. What about operational equipment?

A. That is not my field, but the equipment we have is training equipment only; it is not operational equipment.

A great set-up, Mr. Speaker, they have not even enough equipment for training purposes, let alone operational purposes.

Q. Have you asked for more training equipment?

A. Within the limits of our budget—as far as I understand—I have asked for more equipment.

Q. Why has it not been forthcoming?

A. I could not say.

Announcer: The key to co-ordination of all civil defence communities lies with a plan. Now a plan may not be perfect; in fact, under constant changing conditions it can never be perfect. Yet a plan provides the necessary basis for any civil defence co-ordination. And so we come to Metro's plan for survival, the plan for your survival.

Q. These volunteers in your zone can be co-ordinated along with volunteers in other zones in the event of a nuclear disaster? In other words, is there a Metro plan?

A. To the best of my knowledge, not at the present time.

Q. In the event of disaster what is the plan for the volunteers you now have?

A. Well, actually, to my knowledge there has not been laid down—and this is to my knowledge—any particular plan, any overall plan.

Q. Why not?

A. I have often wondered.

This is the controller of civil defence. "I have often wondered."

Q. Have you asked why not?

A. Yes, I have asked.

Q. What answer did you receive?

A. That, when a plan has been developed that they felt was what they were looking for or needed, we would be notified in due course.

Q. When you say "they," are you referring to Metro headquarters?

A. I am referring to the higher echelons in Metro civil defence.

Q. Is there a plan, an overall plan, in the event of nuclear disaster?

A. Not to my knowledge.

Q. Is a plan necessary for you to carry your work out?

A. Oh, absolutely; as a training officer you must have some knowledge of an operational plan before you can do your training.

Q. You have asked for such a plan?

A. Definitely.

Q. Was any answer received?

A. It will be forthcoming.

Q. For how long have you been getting this type of answer?

A. Well, I have been with the organization five and a half years.

Q. Has civil defence any overall plan?

A. No. All sorts of plans have been worked on, are now being formulated. The overall plan will finally rest on co-ordination by the municipal, provincial and federal authorities. That will become the overall plan.

Q. If we have no overall plan how effective can the organization be?

A. Just as effective as the plan—as far as planning has gone.

Q. And the planning has really gone nowhere?

A. I would say there has been a lot of discussion on it, and a lot of thinking on it; but as for a complete plan, I do not know of any plan that has been completed yet. However, some planning has been done by eager civil defence personnel.

At this point the announcer introduces the east zone controller, Johnson, who explains the plan he is considering; and there is a man by the name of Dr. McCallum who, apparently, has a plan for the east. They were thinking seriously about Dr. McCallum's plan and some training took place along that line. There are then questions about this.

Q. You said you hope it [and that is Dr. McCallum's plan] will be accepted by whom?

A. By the Metro civil defence committee or authority.

Q. Have they been exposed to the plan?

A. Yes, they have been exposed to it by the doctor himself.

Q. Have they accepted it or rejected it?

A. It is undecided. It is under constant review.

Q. How long has this been going on?

A. Since 1956, actually.

Q. The final decision for all plans—correct me if I am wrong—rests with Ottawa?

A. That's right.

Q. Then Ottawa must have local plans submitted to them before they can co-ordinate and finalize them?

A. Yes.

Q. Now why are they held up at a local level in submitting their plan to Ottawa?

A. Well, there is quite a bit of information that is not available to us to complete our plan.

Q. Who is responsible for holding up this information?

A. Oh, it isn't a matter of holding it up; it is just that the information is not forthcoming; it has not been decided on yet.

Q. Well, how does one go about deciding on these things?

A. Well, there are three various levels of government. I would like to give you an example of how they hold them up. We will take the policy of traffic control here. Any plan that they make must be compatible with the plan of the provincial police going from our borders out, otherwise one is going to plug the other. Now, we have not received that plan yet. I know they are working on a completed plan for mass evacuation and that is pretty workable.

Q. Again this seems to be a provincial responsibility?

A. Yes, that would be natural because we deal with the province and not directly with the federal government.

Q. I see. How long have these plans been held up? How long have you been working on them, trying to get information from the provincial level? That you need to make the final decision?

A. Well, actually we have not gone after the province on the policy plan, I just gave that as an example. When they get their plan drawn up they will let us have it.

Q. So that nothing can be finalized here?

A. We can finalize our own plan and submit it.

Q. Have we finalized our own plan?

A. No.

Q. What then has been the hold-up?

A. Well, the hold-up has been, since the change we have been depending on a lot of information which has not been forthcoming yet. We know that their planning is coming, there is no use asking for the impossible.

Announcer: But without public information, without enough equipment, without even a plan, there is still the trained individual. Key civil defence personnel, properly trained in fundamental civil defence are in a better position to ensure our survival; and such training is available at the federal civil defence college at Arnprior. The three 'perimeters' own controllers have met with Metro civil defence since last September.

Question to the first zone controller: When were you last at the civil defence college at Arnprior?

A. Well, I haven't been.

Q. You haven't been?

A. No.

Q. Have you been asked to be given the training?

A. Yes.

Q. You think the training is necessary?

A. I felt it would be helpful.

Question to second zone controller: When were you last at the federal civil defence college at Arnprior?

A. Very good question; I have never been.

Q. You haven't?

Question to third zone controller: When were you last at the civil defence college at Arnprior?

A. I have not had the privilege of attending at Arnprior.

Mr. Speaker, I understand that since May, and since this broadcast, that some of these gentlemen may have been to Arnprior. The headquarters personnel at civil defence have been trained at Arnprior.

Announcer: It is important to note that, since we made these films two weeks ago, the zone controllers have been informed that they, too, would be sent. In fact, two of them have already gone. But now the question: What else is needed to make civil defence more efficient? Have you any suggested improvements for civil defence as it exists now in the area that could be implemented?

A. It is a very difficult question to answer until you have the plan fully formulated. The plans are not formulated.

Q. What is your job? You are the co-ordinator of civil defence in the area. What is the role of the co-ordinator?

A. To be responsible for everything that happens in civil defence.

Announcer: Perhaps the large part of the civil defence story could be summed up in the civil defence budget. Last year Metro civil defence received \$334,000, they spent only \$215,000, there is still \$118,000 remaining unspent. \$25,000 of this sum was not received until last December when it was possibly too late to include in the expenses of the fiscal year, but the money is available. Volunteers are available and dedicated staff is available. Because of the importance of civil defence, the nature of civil defence, we have asked Ozzie Waffle, chairman of the Metro civil defence committee, to be with us to have a last word.

Then Mr. Waffle comes on, Mr. Speaker, and says that everything is going to be fine and there are funds available, and certainly there is going to be a plan—some day. Well, the postscript on this, Mr. Speaker, is the closing announcement that was made:

Tomorrow morning at 11 a.m. Prime Minister Diefenbaker and many provincial premiers will be heard on CJBC and CBL in Operation Tocsin 1961. A programme designed to inform the public in emergency planning for civil defence, stresses the importance of learning personal survival methods. Hear Operation Tocsin on CBL and CJBC.

Mr. Speaker, have you ever heard such nonsense!

Here we have two responsible levels of government—or at least they like to class themselves as responsible levels of government—here we have a very carefully researched television broadcast conducted by our C.B.C.! The gentlemen who are responsible for survival plans in this area have been asked what are they supposed to do, what trained personnel are there, what plans are there; and almost 100 per cent the batting is zero, zero, zero.

Have hon. members ever heard of such a farce, have they ever heard of such nonsense? And this government calls itself a responsible government!

A year ago, Mr. Speaker, when they were shuffling around the department that used to be called The Department of Planning and Development and changed it into The Department of Commerce and Development—now they have changed it into something else again—I understood that one gentleman was going to be deputy minister in charge of civil defence. In the reshuffling and the new bills we have seen this year I have not heard him mentioned at all.

Somewhere along the line I gathered from the newspapers, not from the speeches of the hon. Prime Minister or of any of his hon. colleagues in the Cabinet, that civil defence is going to find its way to the hon. Attorney-General's department. If so, why have we not had a bill about it? Why have we not had some remarks about it in the Throne speech? Why have we not got a plan? What sort of nonsense is this government trying to perpetrate on the people of Ontario?

Mr. Speaker, let us be honest with the people of Ontario. I do not think that civil defence is possible, but I am certainly willing to be shown. If it is, let us have a programme for all of the people of Ontario, not just for

the wealthy people who can afford to build a shelter, and ignore the poor people. Let us look after the school children and the people in offices and the people in apartment buildings. Let us look after the people in hospitals.

Let us do all these things and let us do it as a part of a government programme. Let us stop the hysteria that this programme is producing and let us build up the morale of the people of the province rather than tear it down.

Hon. W. M. Nickle (Minister without Portfolio): Mr. Speaker, last August, exercising my wisdom and good common sense, for which I am well known, I stated in Kingston that enjoying as I did good health and having had the opportunity to serve this historic riding of Kingston both as a private member and as a member of the Frost government; enjoying also as my wife did good health, I indicated at that time that come the next general provincial election I did not again intend to run in Kingston.

I had a little difficulty after having made that statement when I met the hon. leader of the Opposition (Mr. Wintermeyer) in Renfrew at a time when he was present there, on a very sad occasion, with his political executive adviser, Dr. Boyd Upper. He even at that time thought I had some sinister motive in going there, in that I was going to be appointed to some other office. We had breakfast together, as he will remember, and I thought perhaps—I was in good form and so was he—that he might pick up the chit, because I was going out of public life. But no, sir; every man for himself that morning.

I assured him I was going to do exactly what my father did after he had represented Kingston, not only in this Legislature but indeed in the House of Commons, at one time having been the Attorney-General when Mr. Ferguson was the Prime Minister. I am going to do exactly what he did and when the time presents itself, come the next general provincial election, I am going to return to Kingston and practise my first love, my chosen profession, the law.

Now I can quite understand the hon. Prime Minister, being a member of the legal profession, perhaps might even frown if I were to make any comment this afternoon about when I intended to start, so I will say it depends on when my hon. leader calls the election. But to those of the legal profession who are in this House this afternoon, I would indicate to them without reservation—I am not unmindful of the fact since I entered this

House some ten years ago that there may have been a little inflation—but when I return to Kingston I will be in the old stand, at the old address and at the old prices. Anything that the hon. members of this House can with dignity and sincerity refer to me, I shall be glad to attend to on a reasonable agency basis.

Mr. Speaker, there have been suggestions in this chamber of a congratulatory nature concerning your occupying your present position at this time. Many people have stopped short and simply said they wished you well. But as I consider and think of some of the exciting moments we have had in the first two or three weeks of this session and if what has happened in that time is going to be indicative of what takes place when we meet again in January or February—then, sir, I go a bit further than some of my hon. colleagues and with all reverence and humility I will say I will give you my Presbyterian prayers and wish you good health to carry on to discharge in fairness in the future, as you have in the past, all that goes with your very great office.

Tributes of respect, of sympathy and understanding have been made in this House in connection with the death of three of our members, Mr. Maloney, Mr. Nixon and Mr. Wren. I lived for years, when I was in Toronto, in the Royal York with these three gentlemen. Two of them had a political philosophy different to mine, but at this time I would like to say that on a tremendous number of occasions, sir, we had breakfast together, we had dinner together. I am the only one of the four that is left, still living at the Royal York—and I want to say that those who have not lived there, who did not get to know Mr. Maloney, Mr. Nixon and Mr. Wren as I did, as friends rather than just political acquaintances, that I have missed probably more than anybody in this House, the sincere, basic understanding that went and existed between gentlemen of a different political philosophy when we had an opportunity to break bread and discuss the problems of the province, always with a basic thought that we were all, each in our own way, proud to call Ontario home.

There have been references to my hon. leader since he has taken over his position as the hon. Prime Minister of this province. I am satisfied, I think as all hon. members of this House will be satisfied that since he has taken over the leadership of the government, the leadership of the Conservative Party, he has handled himself extremely well. If I am

any judge of public opinion, when the ballots are counted come the next provincial by-election—

Mr. H. Worton (Wellington South): Careful now! That is where the hon. Minister made his first—better not go too far.

Hon. Mr. Nickle: Just give me a chance to finish! If the hon. member is honest, and I think he is, he will agree with me that in his riding, as a result of certain things that have happened, he is very apprehensive about a majority of those by-elections; and he knows that just as well as I do.

I want to say something more. The hon. leader of the Opposition, if he is going into the ridings where these five by-elections are going to be held, will have to be a little more careful in connection with his utterances than he may have been in the immediate past.

At this opportunity, which may perhaps be my last opportunity, because I am not the man to say when the next provincial general election is going to take place: a great many references have been made concerning the hon. member for Victoria (Mr. Frost), the former Prime Minister, in regard to the very outstanding administration he headed as the Prime Minister of Ontario for 12 years.

The responsibilities incidental to his high office demanded his presence throughout the length and breadth of the province and indeed of other jurisdictions, and for the purpose of the record and speaking on behalf of the women of this province, I think this is indeed the time and forum to pay tribute to Mrs. Leslie M. Frost, a gracious, charming and attractive woman who was just as much a public servant of the people of this province as was her husband and who, in her official capacity, discharged her duties with dignity and credit as the wife of the Prime Minister. She shall always be respected and loved by the good citizens of this province and to her I say, thank you, Mrs. Frost, for a job well and thoroughly done. To Mrs. Frost I say, we shall miss you, as we shall miss your husband, in reference to the political life of this province.

There is a saying, in relation to a family, that where a son does well and succeeds his father, it is a compliment to say of him that he is a worthy son of a worthy sire. I would change that just a little bit and say that the present leader of the Conservative Party is a man who has been trained at the knee of a very great sire and will prove very worthy in the administration which he leads.

Of course I can say that with all the

sincerity in the world, because I want to make it crystal clear, hon. members know that as well as I, that there is nothing I want except to return in good health to the great city of Kingston and with my wife enjoy our friends.

A very recent dinner which I attended at the Royal York was that of the War Amputees of Canada. These people came from one end of this country to the other. At this time I would like to say to you, Mr. Speaker, and through you to the hon. members of the government, that these people who attended that function; men who in two wars had lost an arm or a leg, or some of them two arms; some both legs—that these people have their problems.

When we talk in a sinister way about some of the problems to protect the little people come a third world war then, I say, we must try to use such protective measures, sir, that if bombs drop—people of our vintage, people of our age on both sides of the House have had an opportunity to enjoy our way of life—but in relation to our children I do say this, that if there is a conflict then we should not laugh off the problem and the challenge of any administration, irrespective of its political point of view, in trying to protect the children. After all, when everything is said and done, the child of today is our best asset for tomorrow.

I would like to direct a few remarks in connection with a matter which concerns the city of Kingston. I asked the support of the hon. Prime Minister and indeed of my colleague the hon. Minister of Travel and Publicity (Mr. Cathcart). In presenting his estimates to this House a few days ago, he made mention of the plaques that had been erected in Ontario by the Ontario Archaeological and Historic Sites Board and I am very happy to say that among the memorials that have gone up in Kingston, one is in reference to the building of Fort Henry.

Fort Henry—The present Fort was built 1832-36, as part of a larger scheme of fortifications for the defence of the Kingston Dockyard and the Rideau Canal.

The Stone Frigate, 1820—To store gear from the Lake Fleet. It was the first dormitory building at the Royal Military College.

Heathfield—This house, erected prior to 1841 and purchased by Professor James Williamson of Queen's, was used by the Williamsons and Sir John A. Macdonald's sister, Louisa.

Bishop Alexander Macdonell, 1762-1840—Born 1762 at Glen Urquhart, Scotland, he was

educated for the priesthood in Paris and Spain. In 1826 he was consecrated Bishop of Kingston, the first Catholic Bishop in Upper Canada. In 1831 he became a Member of the Legislative Council; and in his portrait in the Bishop's house in Kingston he will be seen wearing two rings, his episcopal ring and the ring of office as a Legislative Councillor. In 1837 he founded Regiopolis College. He is buried in St. Mary's Cathedral in Kingston.

At this point, I want to pay tribute to George F. G. Stanley, dean of the faculty of arts and head of the department of history at the Royal Military College, and formerly deputy-director of the historical section of the general staff. He is a member of the Ontario Archaeological and Historic Sites Board since its inception. As the member of this board from eastern Ontario, his particular responsibility is for historic sites in that part of the province.

Today I want to recommend for the favourable consideration of my hon. colleagues in the government, the erection of a further plaque in Kingston in memory of that great Liberal leader of yesterday, a former resident of Kingston, Sir Oliver Mowat, who held office as leader of the government longer than any other man in our history. The house in which Sir Oliver was born and lived still stands in a very excellent residential section of Kingston and although other plaques have been erected, the time has now come when the memory of Sir Oliver Mowat should be perpetuated. I give you this great man's history: "A Presbyterian with a sincerely religious bent—a Christian statesman"—this was Sir Oliver Mowat's self-evaluation.

Born in Kingston July 20, 1820—both his parents being Scottish born—Oliver Mowat was educated in Kingston district schools and at the age of 16 became articled to a prominent Kingston lawyer, John A. Macdonald.

In 1840 he left Kingston for Toronto and the next year was called to the Bar of Upper Canada. The year 1856 was an eventful one for Mowat as it brought his appointment as a Q.C., appointment as one of the commissioners to revise and consolidate the statutes of Upper Canada and election as an alderman for the City of Toronto.

Implementing one of the recommendations of Lord Durham's historic report, the British Parliament in 1840 passed the Act of Union, uniting Upper and Lower Canada under one Legislature. Mowat was first elected to this Legislature in 1857 by the riding of South Ontario and the next year he accepted the

post of Provincial Secretary in the short-lived Brown-Dorion administration.

In 1861 the former student-at-law ran for election against a formidable opponent—his one-time teacher, John A. Macdonald—but lost, as the voters of Kingston endorsed Macdonald.

During the John Sandfield Macdonald-Dorion administration of 1863 and the great coalition of 1864, Mowat served as Postmaster General. In those momentous years when men of vision met to discuss the confederation of Canada, Oliver Mowat was the delegate from Upper Canada at the Quebec Conference of 1864.

Taking leave of politics, Oliver Mowat in November, 1864, was raised to the bench as one of the Vice-Chancellors of Ontario.

The British North America Act, 1867, which created the federal union of Canada, also established Ontario and Quebec as separate provinces. Returning to the Ontario political scene in 1872, he succeeded Edward Blake as leader of the Ontario Liberal Party. Elected by the constituency of Oxford North, Mowat was sworn in as Prime Minister and Attorney-General of Ontario, October 25, 1872. Mowat was Ontario's third post-confederation Prime Minister, being preceded by the Hon. John Sandfield Macdonald (July 16, 1867-December 19, 1871) and the Hon. Edward Blake (December 20, 1871-October 25, 1872).

Mowat served the people of Ontario as Prime Minister and Attorney-General from 1872 continuously through to 1896. He then resigned to enter federal politics as a supporter of Sir Wilfrid Laurier. Appointed to the Senate where he became the government leader, he also held the portfolio of Minister of Justice in the Laurier Cabinet.

A fighter for provincial rights, Sir Oliver Mowat, while in the Ontario Legislature, introduced the ballot system of voting into both provincial and municipal elections.

Knighted in 1892 as a Knight Commander of the Order of St. Michael and St. George, he was later named a Knight Grand Cross of the Order.

Sir Oliver Mowat retired from political campaigning in 1897 but continued his distinguished career of public service as Lieutenant-Governor of Ontario from 1897 until his death, April 19, 1903.

From the first day of his first election to the Legislature of Canada in 1857 until his death at Government House, Toronto in 1903, this "Christian statesman" from Kingston served his home city, his province and

his country in many capacities for 46 years—nearly half a century.

Records of the day attribute many qualities to explain his success as a party leader—"tactful, politically sagacious and of high integrity" are terms which were applied by his contemporaries.

As concerns this province, he left behind—among other important Acts—The Ballot Act of 1874 and The Manhood Suffrage Act of 1888. The University of Toronto and Queen's University tendered honorary degrees and Toronto University honoured him as a member of their senate (1852-1872).

Sir Oliver Mowat was born in an exciting time in Upper Canada's history—he was part of the formation of Canada—he served this new country in its difficult early years—and he saw the early years of this 20th century—the century that "belongs to Canada" because of the efforts of her faithful public servants of the last 100 years.

I might say to you, Mr. Speaker, that there are some in this House who have never really understood or appreciated why, from the time I came here until this very hour, I have always sat in seat number 2. The reason is that the leaders of the government, from the time I came here some ten years ago, have always given me seat number 2 because it was the seat my father occupied when he came into the House and was the Attorney-General under Mr. Ferguson.

But I am not going to run in the next provincial election and I may say, Mr. Speaker, when I retire from public life, I will be leaving seat No. 2.

Speaking of Sir Oliver Mowat—

An hon. member: May I have it?

Hon. Mr. Nickle: What, this seat? Well, I am very sure the hon. member would like it. I would wish him well, but he will never make it unless he changes his tactics. I will tell the hon. member something else to give him some Christmas comfort. I suppose

today, as a member of that great regiment—the Algonquin Regiment, is that not it, from which all the men who served in distinction are working for the Ontario Northland Railway up in his riding the hon. member and I were there one day—and there came the call for liquor help from Kingston. I turned the request for the extra help over to the president of the Canadian Legion—allow me to finish, because this is really worthwhile—I turned the request for extra help in the liquor stores at Christmas over to the president of the Canadian Legion and I told him to try to get men who had long and faithful active service in some theatre of war, either the First War or the Second War. Hon. members will at least know what I do in Kingston.

On a personal basis, I find in going through the papers of my father, who died a few years ago, this parchment which any lawyer will appreciate and recognize as the occasion of his appointment, the appointment of William Folger Nickle, as a notary public in the year 1900. A man who in the opinion of the then Lieutenant-Governor possessed loyalty, integrity and ability. The man who signed the parchment and named my father as the notary public in and for the province of Ontario was none other than Sir Oliver Mowat.

I will continue tomorrow.

Hon. Mr. Nickle moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow we will go on with second readings that are on the order paper and the Throne Debate. We will have a night session tomorrow night and Thursday night.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.55 o'clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, December 12, 1961

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 12, 1961

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. G. E. Gomme, from the standing committee on private bills, presented the committee's first report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr1, An Act respecting Greater Oshawa Community Chest.

Bill No. Pr3, An Act respecting the City of Belleville.

Bill No. Pr4, An Act respecting The Queen Elizabeth Hospital for Incurables, Toronto.

Bill No. Pr8, An Act respecting the Village of Markham.

Bill No. Pr13, An Act respecting the Township of Nepean.

Bill No. Pr15, An Act respecting The High School Board of the Township of Nepean and The Collegiate Institute Board of the City of Ottawa.

Bill No. Pr23, An Act respecting the Young Men's-Young Women's Christian Association of Cornwall.

Hon. F. M. Cass presents the second interim report of the select committee appointed on April 12, 1960 and re-appointed on March 23, 1961 to inquire into and review all provincial legislation and regulations respecting expropriation of land by public authority and moves, seconded by Hon. J. P. Robarts, that the committee be re-appointed and continue with the same membership and with the same powers and duties as heretofore; also, that the said committee be authorized to sit during the Christmas-New Year adjournment of this session and that the same allowances for expenses to the chairman and members thereof be payable for such

meetings as are provided by section 65 of The Legislative Assembly Act, R.S.O. 1960, chapter 308, for meetings held during the interval between sessions.

Motion agreed to.

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, with respect to the report just tabled, I would like to say it is as usual the unanimous report of the committee which has now finished its public sessions and public hearings and is in the process of considering the very many serious and important problems connected with powers of expropriation by public authorities.

I think, sir, that it is the opinion of the committee—I know it is the opinion of many of us at least, and it certainly is the opinion of this House, I am quite sure—that as soon as possible there should be some concrete results from this committee by way of recommendation and report to this House so that the many very obvious inequities which presently exist in the law may be corrected. For that reason, the committee was very anxious that they should be re-appointed by this hon. House and be free to continue as soon as possible their further research and if possible to produce some good recommendations for the consideration of this House.

Mr. Speaker: Motions.

Hon. J. P. Robarts moves that the select committees on the cost of drugs and on crop insurance be authorized to sit during the Christmas-New Year adjournment of this session and that the same allowances for expenses to the chairman and members thereof be payable for such meetings as are provided by section 65 of The Legislative Assembly Act, R.S.O. 1960, chapter 308, for meetings held during the interval between sessions.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, by way of explanation, this is just a motion to permit these committees to carry on between the time we adjourn and the time we resume in the hopes that perhaps we

that we will not be blocked at his level as we were in the instance of a previous Royal commission?

Hon. Mr. Robarts: Mr. Speaker, what a question! All I can say is this: I will deal with that when the commissioner consults me.

Mr. MacDonald: I hope the hon. Prime Minister deals with it differently than his predecessor.

Mr. A. H. Cowling (High Park): I would like to offer an apology. I made a very grave error the other day and I have a letter here that I would like to read to correct the error. It was during the discussion of the estimates of The Department of Travel and Publicity and my colleague, the hon. member for Parkdale (Mr. Trotter). It has to do with the Scottish people and I want to apologize to them for the mistake I made.

Here is the letter:

During the debate on the estimates of The Department of Travel and Publicity Tuesday, December 5, A. Cowling, member for High Park, referred to Tobermory as a beautiful Irish name, *Hansard*, page 217. I agree that Tobermory is a beautiful name, but I cannot allow even a fellow P.C. to alienate it by calling it Irish. Tobermory is as Scotch as the Highlands themselves.

In the *Encyclopedia Canadiana*, volume 10, page 91, it states:

Tobermory, Ontario, named after Tobermory, Scotland. The original Tobermory is located near the northern end of the Island of Mull in the Inner Hebrides.

A few years ago the Rank film called "I Know Where I'm Going" the locale of which was Tobermory, Scotland, had its North American premiere at Tobermory, Ontario.

Incidentally, old country locals pronounce the name "Tubmury", both "u's" being pronounced as in the "Tub". As a matter of fact, many of the localities in Tobermory refer to it now as "The Tub".

(Signed) Ogden Hershaw.

There is my apology, Mr. Speaker.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day I would like to speak just for a moment about the procedure that we will follow for the balance of the week. Tomorrow there are two committees meeting, both of them in the morning. I would like to meet here at 2 o'clock tomorrow afternoon, 2 o'clock Thursday afternoon, 10.30 o'clock on

Friday morning until 1.00 o'clock in the afternoon, and if it is necessary to resume Friday afternoon.

I would like to get as much work done as possible prior to the Christmas adjournment which I would like to reach on Friday. If it is possible to reach it on Friday we will adjourn Friday, if not we may have to come back next week.

That is the programme that I propose for the balance of the week. We will have a night session tonight but none tomorrow night, Wednesday, and a night session Thursday. If there is a motion necessary for this I will revert to the orders of the day later on and make it.

Mr. Speaker: Orders of the day.

THE INCOME TAX ACT, 1961-62

Hon. J. N. Allan (Provincial Treasurer) moves second reading of Bill No. 43, The Income Tax Act, 1961-62.

Hon. J. N. Allan (Provincial Treasurer): In moving second reading of Bill 43, The Income Tax Act, 1961-62, I would like first to outline briefly to the House the new federal-provincial fiscal arrangements that have been negotiated with the federal government. Under these arrangements—which will replace the existing arrangements due to expire on March 31, 1962—the tax rental system will be discontinued and the provinces will be free to impose, adjust and vary their tax rates in the major fields of direct taxation, in accordance with what they deem necessary to meet their own requirements.

Effective January 1, 1962, the federal government will withdraw from the corporation income tax field, to the extent of the existing standard rate or abatement of nine percentage points of taxable income; and from the personal income tax field by 16 per cent of federal rates of tax—thereby raising the provincial share by about two percentage points over the existing standard rate of approximately 14 per cent of 1960 federal rates of tax. In each of the following four years, the federal withdrawal from the personal income tax field will be increased by one additional percentage point so that, in the fifth year, the federal withdrawal will be equal to 20 per cent of its gross rates of tax. In the succession duty field, the federal government will continue the present system of allowing an abatement of 50 per cent of its estate tax in any province which elects to impose its own succession duties.

or of paying an amount equal to half the yield of the federal tax to any province which chooses not to levy its own succession duties.

The federal government has offered to collect, free of charge, the individual income tax or corporation income tax, or both, for any province, provided the provincial legislation imposing such tax or taxes, conforms with the draft bill presented by the federal government to all the provinces as a model that would permit the federal government to act as a collection agent for the provinces. Under a collection agreement, the provincial individual income tax must be expressed as a percentage of the federal tax rather than as a schedule of rates imposed on taxable income, and this percentage must remain constant throughout a taxation year. The corporation income tax must be expressed as a percentage of taxable income as defined for federal income tax purposes.

I should point out that the proposed collection arrangements are a substantial improvement over the type of collection arrangements offered to the provinces—as an alternative to tax rental arrangements—for the period 1957-1962. Under the collection arrangement offered in 1957, the provincial rate of tax could not exceed the standard rate of tax employed in the tax rental arrangements and a province was required to pay the cost of collection. The collection arrangement at that time offered no financial advantage over tax rental arrangements, since it did not allow an agreeing province to obtain more revenue from the tax fields than it could, under a rental arrangement—and required a province to pay a collection fee as well. The new arrangements overcome those defects of the earlier offer of tax collection agreements and, at the same time, retain the advantage of a consolidated and simplified tax system. They also retain the advantage of allowing provinces to enter into collection agreements for either the personal income tax field, the corporation income tax field, or both—a flexibility which was not available under the tax rental arrangements until 1957.

Under the new arrangements, the method of dealing with succession duties will be identical with that under the present agreements. The federal government is not prepared to collect succession duties under legislation which is different from its own and the provinces are constitutionally unable to enact legislation comparable to The Federal Estate Tax Act.

The federal government will continue to make equalisation payments under the new

arrangements, although the method of computing them will differ from the present formula in two principal respects: First, the new equalisation formula will be based on the yield from standard rates of tax in the three major direct tax fields—as at present—plus one-half of the three-year moving average of gross natural resource revenue. Secondly, the revenue over this broader base will be equalized to the national average per capita yield in all provinces rather than the average per capita yield in the two highest yield provinces. Thus, in each of the five fiscal years, 1962-63 to 1966-67, a province will receive a basic equalisation payment sufficient to bring its combined per capita yield from standard taxes at the proposed rates and one-half of the three-year moving average of its gross natural resource revenue up to the average per capita yield of all provinces from these sources. This formula is supplemented by two guarantees:

(a) No province entitled to equalisation under the national average formula will receive less in total—under the new arrangements—than the amount that would be payable under the 1957-62 arrangements, if extended, for standard taxes, equalisation and Atlantic Provinces Adjustment Grants; and

(b) No province will receive less in total than it received in the final year, or on the average in the final two years, of the 1957-62 arrangements, whichever is the greater.

While the equalisation provisions of the new arrangements do not benefit the province of Ontario, they represent an improved means of distributing fiscal assistance to the provinces accurately and equitably in accordance with relative need. It has been unrealistic under the present formula to ignore revenues from natural resources which vary widely from province to province, and account for such an important source of revenue in some provinces. Moreover, the adoption of the national average per capita yield as the equalisation level—rather than the per capita yield in the two highest yield provinces—has the advantage of channelling a larger proportion of the equalisation payments to the most needy provinces. In addition, the federal government has undertaken to increase the special Atlantic Provinces Adjustment Grants from \$25 million to \$35 million, and to continue the special grant to Newfoundland of \$8 million per annum.

Under these new tax-sharing arrangements, the province of Ontario will continue to collect its own corporation taxes and succession duties. In the individual income tax field, the present arrangement under which the

province has surrendered its tax rights to the federal government—in return for a rental payment—will be discontinued. The province will now exercise its own tax powers, and will enter into a tax collection agreement under which the federal government will collect, free of charge, an individual income tax to be imposed at rates of tax equivalent to the federal withdrawal from this field. Under this arrangement, there will be no increase in the burden of taxation on individuals.

The Act which we have before us will implement the new fiscal arrangements that have been negotiated with the federal government. It will impose an income tax on individuals resident or carrying on business in Ontario. The basis upon which the tax is to be calculated is that the rate of tax, payable by an Ontario resident to Ontario, will be a percentage of the tax otherwise payable by that resident to Canada, under The Income Tax Act of Canada. The rates of tax provided are the same percentages that Canada has proposed to abate from its gross rates, so that each province might impose its own tax up to the amount of those abatements without imposing duplicate taxation. Thus, when this Act becomes effective, the total of the taxes payable by an Ontario resident under The Federal Income Tax Act and under this Act, will equal the amount of tax that would have been payable by the same taxpayer under The Federal Act alone, had this arrangement not been made. In other words, this bill does not increase the amount of the total tax an Ontario resident will be required to pay on his income beyond that which he now pays. It merely divides the total tax between Canada and Ontario in the following proportions:

Taxation Year	Ontario	Canada
1962	16%	84%
1963	17%	83%
1964	18%	82%
1965	19%	81%
1966	20%	80%

No Ontario resident will be required under this bill to pay more tax to Ontario than the indicated share of the total income tax payable for the year to both Canada and the province.

This bill is arranged so that all the provisions of The Income Tax Act of Canada, that affect the calculation of the amount of the tax payable under the Act, will apply in exactly the same way under The Ontario Act. Thus, the calculation of the incomes of resi-

dents of Ontario—for the purpose of determining the amount of tax payable under this bill—will always be the same as that under The Federal Income Tax Act.

This bill follows precisely the form and content of the model bill presented by Canada to the provinces in offering to collect provincial income taxes on behalf of the provinces. It provides authority to the Treasurer to conclude a collection agreement with Canada, whereby Canada will collect—on behalf of Ontario—the tax imposed by this Act, and pay it over to the province at stated intervals. The agreement will permit Ontario residents to pay their income taxes to Canada and Ontario together, with single returns and remittances.

Now, Mr. Speaker, I might inform the House at this time that the federal government has offered to collect Ontario corporation income tax assessable—with respect to the calendar years 1962 to 1966, inclusive—at any rate of tax the province wishes to impose. While there is a decided advantage for the province to enter into a tax collection agreement with respect to the individual income tax field, it is a very different matter with respect to the corporation tax field.

In the first place, the collection of the corporation income tax is quite different from that of the individual income tax. The collection of the latter tax would involve the processing of close to 2.5 million returns, whereas in the case of the corporation income tax only about 60,000 returns are required to be processed. The province of Ontario is large enough and important enough to collect its own corporation income tax efficiently and economically. The present cost of collecting Ontario corporation taxes, including capital, place of business and special taxes as well as the tax on income, amounts to approximately \$650,000 or about four tenths of one per cent. This is the lowest administrative cost of any tax levied by Ontario, and is less than half as expensive as the next least costly, which is the gasoline tax at one per cent. Furthermore, there is very little duplication or inconvenience to the taxpayer. The same allocation of corporation profits among the provinces is required whether the federal government or the province collects the tax.

Secondly, the federal government is not prepared to collect the taxes now levied by Ontario on capital and places of business of ordinary corporations and on banks, railways, express companies, telegraph companies and insurance companies. These taxes now yield a revenue of \$17 million per year. As I have mentioned, the total cost of collecting the

province's corporation tax revenue is approximately \$650,000, and this amount includes the cost of collecting these special taxes. If the province entered into a corporation income tax collection agreement, the cost to the province of collecting the special taxes could be reduced very little, if only these taxes were collected.

Thirdly, the entry into a corporation tax collection agreement would require the tax to be levied under the model corporate income tax bill drafted by federal officials. Under this bill, the tax would be levied on a corporation's taxable income earned in the taxation year in Ontario. This is different from that employed in The Corporations Tax Act of Ontario, which levies the tax on the world income of corporations operating in Ontario—whether such profits are earned in Ontario or elsewhere. Under the Ontario Act, an abatement of tax is given on those portions of income deemed to be earned outside Ontario from the tax levied on world income. There are situations where the latter form of taxation provides greater certainty and security of collecting the revenue than the basis upon which the model corporate income tax bill applies the tax. On the basis of the collection agreement that has been indicated to us, our own administration should bring us a greater amount of tax revenue than would be collected and remitted by the federal government. We are not only closer to our taxpayers, and can give their accounts scrutiny when necessary, but the form of our legislation—which has been accepted by the corporate fraternity—brings us additional revenue, because of the imposition of the tax on the world income of corporations with tax abatements for business transacted outside Ontario.

Fourthly, the entry into a corporate tax collection agreement would initially result in a considerable amount of confusion. The agreement would apply only to profits earned in Ontario following January 1, 1962. This means that the new income tax bill that would provide for this tax, would allow deductions from the tax imposed with respect to all those fiscal years, of corporations that do not coincide with the calendar year which commenced in 1961. Correspondingly, The Corporations Tax Act would have to be amended to allow abatements to all corporations with fiscal years that do not coincide with the calendar year, but end in 1962—to the extent that such fiscal years pass after January 1, 1962. Thus, all corporations, the fiscal years of which do not coincide with the calendar year, would have to be assessed by

Ontario and given refunds if they have overpaid the tax on the basis of a full year's operation, or be assessed at the net amount; and the same corporations would have to be assessed by Canada for the same fiscal year and the opposite proportion of the fiscal year subjected to tax. Undoubtedly a considerable amount of confusion would result, because Ontario would be refunding to corporations tax that the same corporations would have to pay to Canada for the account of Ontario; and even if it were arranged for Ontario to pay Canada in order for the matter to be kept straight, a tremendous amount of arithmetic would have to be done to ensure that the two bases properly corresponded with each other.

It should be noted in this regard that a large number of corporations—the fiscal years of which end in 1962—have already paid full instalments under the Ontario Act. All of these amounts would have to be taken into account and, where necessary, refunded. If the province repealed its capital and place-of-business taxes and special taxes, the large portions of these taxes that have already been paid with respect to corporations—the fiscal years of which end in 1962—would also have to be refunded. Furthermore, it should be noted that all corporations—the fiscal years of which end in 1962 and the last is November 30, 1962—are allowed six months from the close of such fiscal year to file returns. The last of these returns will not be filed until May, 1963. This means that the present staff would have to be maintained, or largely maintained, until all these returns have been assessed.

Another disadvantage of a corporation tax collection agreement is that The Treasury Department would lose the ability to obtain the information it can now obtain from corporation tax returns, of a statistical character regarding the economic growth and development of Ontario. The data that the province now receives from most of the large national companies, and all of the smaller companies operating in Ontario, would no longer be available.

Finally, and most important, we believe that the province would weaken its position in subsequent negotiations with the federal government, if it dismantled its tax collection machinery. The history of tax agreements with the federal government provides little assurance that there will be any more permanency in the new arrangements, than there has been in former agreements. Just as the previous five-year arrangements were altered upon their termination, the new set of five-

province has surrendered its tax rights to the federal government—in return for a rental payment—will be discontinued. The province will now exercise its own tax powers, and will enter into a tax collection agreement under which the federal government will collect, free of charge, an individual income tax to be imposed at rates of tax equivalent to the federal withdrawal from this field. Under this arrangement, there will be no increase in the burden of taxation on individuals.

The Act which we have before us will implement the new fiscal arrangements that have been negotiated with the federal government. It will impose an income tax on individuals resident or carrying on business in Ontario. The basis upon which the tax is to be calculated is that the rate of tax, payable by an Ontario resident to Ontario, will be a percentage of the tax otherwise payable by that resident to Canada, under The Income Tax Act of Canada. The rates of tax provided are the same percentages that Canada has proposed to abate from its gross rates, so that each province might impose its own tax up to the amount of those abatements without imposing duplicate taxation. Thus, when this Act becomes effective, the total of the taxes payable by an Ontario resident under The Federal Income Tax Act and under this Act, will equal the amount of tax that would have been payable by the same taxpayer under The Federal Act alone, had this arrangement not been made. In other words, this bill does not increase the amount of the total tax an Ontario resident will be required to pay on his income beyond that which he now pays. It merely divides the total tax between Canada and Ontario in the following proportions:

Taxation Year	Ontario	Canada
1962	16%	84%
1963	17%	83%
1964	18%	82%
1965	19%	81%
1966	20%	80%

No Ontario resident will be required under this bill to pay more tax to Ontario than the indicated share of the total income tax payable for the year to both Canada and the province.

This bill is arranged so that all the provisions of The Income Tax Act of Canada, that affect the calculation of the amount of the tax payable under the Act, will apply in exactly the same way under The Ontario Act. Thus, the calculation of the incomes of resi-

dents of Ontario—for the purpose of determining the amount of tax payable under this bill—will always be the same as that under The Federal Income Tax Act.

This bill follows precisely the form and content of the model bill presented by Canada to the provinces in offering to collect provincial income taxes on behalf of the provinces. It provides authority to the Treasurer to conclude a collection agreement with Canada, whereby Canada will collect—on behalf of Ontario—the tax imposed by this Act, and pay it over to the province at stated intervals. The agreement will permit Ontario residents to pay their income taxes to Canada and Ontario together, with single returns and remittances.

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Finally, and most important, we believe that the province would weaken its position in subsequent negotiations with the federal government, if it dismantled its tax collection machinery. The history of tax agreements with the federal government provides little assurance that there will be any more permanency in the new arrangements, than there has been in former agreements. Just as the previous five-year arrangements were altered upon their termination, the new set of five-

year arrangements might be completely revised upon its termination. With the exception of the five years, 1952 to 1956 inclusive, we have collected our own corporation tax in the post-war period. We would have remained in the corporation tax field in those years had it not been for the fact that the federal government insisted upon renting, in one parcel, both personal income tax and corporation income tax. This was the only way at that time in which we could obtain the revenue represented by individual income tax without imposing and collecting our own individual income tax. In 1957 we re-entered the corporation tax field because we were able to negotiate a separate individual income tax rental agreement from 1957 to 1961. The present situation is exactly the same, in that we have the option of entering into a separate individual income tax collection agreement; we are not obliged to enter into an agreement for the federal collection of both individual and corporate income taxes. We can see little value in altering our position and dismantling our corporation tax collection machinery, particularly when the province might be faced with the task of re-instituting it five or ten years hence. The province should not at this time be placed in a position where it could not negotiate from strength. Ontario is big enough to be master in its own house and we do not believe that the cost of collection is an excessive price to pay for the stronger bargaining position the province achieves in its negotiations with the federal government by remaining in the corporation tax field.

Mr. K. Bryden (Woodbine): Mr. Speaker, this bill landed on our desks just a few minutes ago and, as far as I am concerned at any rate, I have not had a chance to study it. I am not complaining about that because I believe it is substantially a repeat of the bill that was before us last year. But perhaps the hon. Treasurer will forgive me if I am not too familiar with its contents. I would like to have one point clarified by him: with respect to the percentages of federal tax that Ontario taxpayers will be called upon to pay—are those specifically stated in the bill or are they to be provided for by regulation?

Hon. Mr. Allan: Mr. Speaker, it is stated in the bill. I might point out to the hon. member that those rates could, of course, be changed by giving sufficient notice in any year.

Mr. Bryden: It would require a further Act of the Legislature, as well as notice to the federal government, to change them.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, I followed with close attention the lengthy statement made by the hon. Provincial Treasurer. I am in the same position as the hon. member for Woodbine insofar as we only received this bill today. I note that in the final section but two of The Act, it repeals The Income Tax Act 1960-61, as well as a number of other statutes. Are we to take it that this will be an annual statute?

Hon. Mr. Allan: Mr. Speaker, I would say "no." I think the hon. members realize we had thought, at the time of the last session, that we had passed an Income Tax Act which would be adequate. We have learned, however, that the federal government requires us to pass this Act, which in reality, is an Act to collect income taxes by the province of Ontario; it is based on a model bill provided by the federal government. After we have such authority we will enter into an agreement with the federal government to collect this tax for us. It is not necessary to pass the Act each year.

Mr. Sopha: Mr. Speaker, you, sir, I know, will appreciate this. In the normal course of events—and I do not know whether "in the fullness of time" is still a popular phrase around here—these bills do not go to a committee where we have an opportunity to ask these questions, so perhaps hon. members will grant me their indulgence to ask them.

Last year I asked whether the administration of the machinery—I think that is the best way to put it—insofar as the appellate tribunals, the complaints of the taxpayer, the question of assessability and quantum of tax were concerned, will be provided by both the Ontario and the federal governments, insofar as it affects the proportion paid to the province of Ontario.

Hon. Mr. Allan: No, the taxpayer will deal entirely with the federal government.

Mr. Sopha: Yes, I think that is a very good thing. Somebody once said, Mr. Speaker, that governments which are paid a portion of tax, should have the responsibility of collecting them; but I think it is a very good thing if the taxpayer needs to complain, that he complain about the federal government, because I venture to say that the majority of taxpayers in this province view the matter in this way: that they pay income tax to the federal government, and if they blame the federal government, that suits our purposes over here, being one united whole; and if they

blame the provincial government we will take care of the blame on the provincial government here.

I did detect, sir, that there was at least an element of suspicion in the remarks of the hon. Provincial Treasurer about the future behaviour of the federal government. Now, it may be that the hon. Provincial Treasurer is not quite sure, from the point of view of prediction, who is going to be in power down there. We have reason to believe that the complexion is going to change in other centres of government. He did not say this: that it would weaken their position; it would weaken the position of the provincial government with the federal government if it dismantled its tax collecting machinery.

Now, sir, that is devastating frankness that he articulates this afternoon. I am not sure that I understand precisely what it means; whether or not this government intends to approach the federal government and ask for a greater share. I am only guided by the newspaper accounts because we never did get a very full report on this side of the House as to what went on in the last Dominion-provincial financial conference—all of those things, of course, were held *in camera*. That is the fashion in Ottawa; to hold things *in camera*.

At a later day perhaps you will permit me, sir, to address some words, from the point of view of one who would like to be a constitutional lawyer, about another little meeting *in camera* down there monkeying around—that is not a very nice phrase, monkeying around—with the constitution, fooling around with the constitution—

An hon. member: Horsing around!

Mr. Sopha: Yes—with the constitution of this country. But we will reserve that for another date.

As I say, we never got a very full report about what went on. Are we to presume that it is the intention of this government to go back to the authorities at Ottawa and ask them for a greater share before the agreement expires in 1966? Or when he speaks of not dismantling the tax collecting machinery, is he, by inference—and I detected this in other parts of his remarks, as I say, sir, I followed him very closely in what he said—saying that it is the intention of this government, or it is anticipated, that these percentages of income tax intended to be collected by the province through this machinery are going to be increased? I suppose that is sufficient to cause anxiety among the public of this province.

This government is—and I do not want to get into the budget debate but permit me to make this comment—this government, according to their own financial statement which they published, is running in the red for this fiscal year to the extent of \$180 million or more. Notwithstanding that they anticipate collecting in the neighbourhood of \$150 million under The Retail Sales Tax Act, we are still going to run in the red \$180 million more. Now that is an increase, a progressive increase—in The Department of Economics they would call that a geometric progression, I think—

Mr. R. M. Whicher (Bruce): At least the Conservatives would.

Mr. Sopha: Yes.

Mr. C. H. Lyons (Sault Ste. Marie): How much of an increase is it?

Mr. Sopha: Well it is quite an increase.

Mr. Lyons: How much of an increase?

Mr. Sopha: Let me put it this way.

Mr. Lyons: How much of an increase, does the hon. member know?

Mr. Sopha: Let me put it this way, that in the three years, sir, that I have been in this House it has been a dramatic, startling and anxious increase every year—every year it has been more than the preceding year. I take it—or at least are we to take the inference—that it is intended, because the hon. Provincial Treasurer (Mr. Allan) did refer to that—

Mr. Lyons: How much is it?

Mr. Sopha: Is it intended that they are going to increase the percentage? I just forget the exact words he used, I would not want to paraphrase him incorrectly, but he did make some allusion in his remarks to the case where the provincial government wished to increase their proportion?

Well, he shakes his head, sir. I will have to read his remarks whenever they come out.

But he made some reference to it, that if they wished to increase their percentage this year, the 1962 taxation year would be 16 per cent of the federal tax with 84 per cent going to the federal government. I for one am wondering, as no doubt a great many other people in the province are wondering, in view of this increase in the provincial debt whether it is their intention to increase that

percentage and, if so, to ask the federal government to collect the increase.

It may not be that they intend to increase it this year, but do they anticipate in view—I wish I could think of another word than increase to satisfy the hon. member for Sault Ste. Marie (Mr. Lyons), but one has to call a spade a spade—

Mr. Lyons: I am wondering what is the figure at which the hon. member is aiming.

An hon. member: Balanced budget?

Mr. Sopha: Balanced budget? Yes! Thanks.

Mr. Whicher: Is that the government's policy? Something they have never even heard of.

Mr. Sopha: Put it this way. I am a man who always likes to state things in the simplest terms possible.

Hon. Mr. Allan: I have noticed that.

Mr. Sopha: But when we get into hundreds of millions of dollars, to the aerie heights of high finance, one can admit to being a bit confused.

To put it this way, they are running \$180 million in the red this year. Now supposing next year, and they act like they are the last group of great spenders of all time, supposing it were to go to \$225 million, the amount they run in the red. Do they anticipate that they will have to go to the federal government and say: "Instead of collecting 17 per cent in taxation year 1963, we want to increase that by five per cent; we want you to collect what will be the equivalent, let us say, of 22 per cent of the federal government taxes." Now, I hope, sir, that puts it in as clear terms as possible; if the hon. Treasurer will look back in his remarks he will see some allusion he made to that very situation arising.

Let me conclude this way. In my humble opinion, sir, I have always felt—knowing as little about it as I do—that when this government were dealing with our colleagues in Ottawa, as they were for many years, they did better in the amount of money they brought back after a pilgrimage to Ottawa to ask for assistance in tax-sharing from the federal government. And notwithstanding—and I hesitate to refer to the hon. member for Victoria (Mr. Frost) in anything but the most glowing terms—we, sir, on this side of the House have anxious memories of that famous speech in Massey Hall during which he and John had their arms around each other—

An hon. member: Big John.

Mr. Sopha: —and he said—I do not know who said it to whom, but they certainly put the message across—that if you elect John at Ottawa we are going to give you \$100 million.

An hon. member: A hundred and fifty.

Mr. Sopha: Well, I think it was 100—nice round figures. He never got it. I do not know whether he is even calling him John any more—

An hon. member: He is calling him Bad John.

Mr. Sopha: —or John calls him Les. I do not know; but he never got it.

An hon. member: He is not paying too much attention.

Mr. Sopha: But that is the whole point. Although I may allude to it in facetious terms, the stark reality of the financial picture of this province remains that the government has not got enough money; and the deal they made with the federal government the last time they were there, which was last year, was not a very good one. I, sir, would not employ any of them as my lawyers to conclude any financial transaction in which I had an interest. Let me put it this way. I would prefer—instead of the country lawyer—a downtown slicker from Bay Street.

An hon. member: Perhaps he would not get anything either.

Mr. Sopha: That is the situation; that is the gist of my query. Now, I say to the hon. Treasurer before I sit down that he did make some allusion to this situation in his remarks—and far be it from me to accuse him of saying something he did not say. I would not sleep this night if I thought that I—

An hon. member: We want you to sleep.

Mr. Sopha: I am asking the hon. Treasurer whether he anticipates that he will have to ask the federal government to collect more than is provided for in Section 3, subsection (3)a to (e) inclusive.

Hon. Mr. Allan: Mr. Speaker, I want to say first of all that I appreciate the sincerity of the hon. member for Sudbury, especially when he said that we would be down in Ottawa, negotiating in 1966. I believe, Mr. Speaker, he faces situations fairly and squarely and that he is honest in his statements.

Mr. D. C. MacDonald (York South): The hon. Treasurer is really on the bit today.

Hon. J. P. Robarts (Prime Minister): We used a magnet.

Hon. Mr. Allan: Mr. Speaker, I am just as anxious to inform the hon. member with respect to anything in this Act. I was endeavouring to indicate to the House through you, Mr. Speaker, that there was flexibility in this Act which will provide for the collection of additional income tax, if a province so desired. However, the rate of abatement is set for the five-year period, I can say that we presently have no thought of increasing the percentage that we will ask Ottawa to collect for us. I would like to inform the hon. member—because of his intense interest in the welfare of this province—that we will be getting the greatest amount of money from our share of the income tax—personal income tax paid in this province—that we have ever received when this new agreement comes into effect.

Mr. Whicher: Mr. Speaker, I wonder if the hon. Provincial Treasurer, in saying that he will be getting the greatest amount of money in history, considers that amount to be sufficient? Does he? Perhaps he had better not answer that one.

Motion agreed to; second reading of the bill.

THE MILK INDUSTRY ACT

Hon. W. A. Stewart (Minister of Agriculture) moves second reading of Bill No. 48, An Act to amend The Milk Industry Act.

Motion agreed to; second reading of the bill.

ONTARIO AGRICULTURAL COLLEGE, ONTARIO VETERINARY COLLEGE AND MACDONALD INSTITUTE

Hon. Mr. Stewart moves second reading of Bill No. 49, An Act respecting the Ontario Agricultural College, Ontario Veterinary College and MacDonald Institute.

Motion agreed to; second reading of the bill.

Mr. Bryden: Mr. Speaker, I have been searching feverishly for this bill in my book and I still have not found it.

Mr. Speaker: I am informed that the bill has arrived but has not yet been put in the

book; it will be in there before it goes to committee. Is that acceptable to the hon. members?

Hon. Mr. Robarts: Well, Mr. Speaker, we can have a complete debate for the benefit of the hon. member when it goes through the House in committee of the whole. I thought they were here because they are marked as printed on the order paper.

Mr. Bryden: I would just like to get a look at it.

AGRICULTURAL RESEARCH INSTITUTE OF ONTARIO

Hon. Mr. Stewart moves second reading of Bill No. 50, An Act to provide for the establishment of the Agricultural Research Institute of Ontario.

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Hon. W. M. Nickle (Minister without Portfolio): Mr. Speaker, when the House adjourned last evening there were still a few remarks I wanted to make, having regard to my contribution to this debate. One of the things I would like to bring to your attention, Mr. Speaker, is the trip last fall from North Bay to Moosonee by the Lieutenant-Governor of Ontario and his wife, Mrs. Mackay. The arrangements in connection with that tour were approved by me at the time when I was the responsible Minister. The tour started at North Bay and I think the hon. member for Nipissing (Mr. Troy) will agree that he and other hon. members of this House, who were in that vicinity at the time of the visit of His Honour the Lieutenant-Governor, had every opportunity to meet with him and his wife, and to go with him to the different schools from, as I say, North Bay to Moosonee where His Honour spoke to the children.

There were times when the weather, for instance at Kirkland Lake and Kapuskasing, was very, very bad—snow and rain. But when the celebrations could not be held outside, then His Honour went to the different schools, and spoke to the children. As a result of a conversation I had with His Honour, I understand he spoke to about 50 or 60 children in this part of Ontario. This fact should be known because, as I recall it, I saw nothing in the Toronto papers indicating this very wonderful visit which meant so much to the people of that district.

Yesterday when I was speaking, Mr. Speaker, I could not put my hand on a copy of the *Renfrew Advance* from which I wanted to read an editorial dated October 5, 1961, in reference to the death of my friend and colleague, the late hon. James A. Maloney. I would not want when I sit down to have somebody quip and say that I had chosen a paper owned and published by my son-in-law, Mr. Donald W. McCuaig; but the fact is that he is the owner and publisher of this paper, and for posterity I want to read today into the records of this House, his editorial tribute to my late colleague. This is what he says:

When he stood up to speak or move to the front of the platform a change came over the audience. If the people listening were from his own riding; a ripple of excitement preceded his opening phrase. In other places the first sentence was enough to tell that he was an orator. The Hon. James A. Maloney who died Sunday night was in the tradition of his century of Canadian political speakers, and he came by this fluency and forcefulness and platform power through both inheritance and exposure in his birth place of Eganville, where the art of politics is ingrained.

Jim Maloney was every inch a politician. He loved public life and he worked hard at it. Probably few people, outside close associates and family, have any idea of the demands made of a man in his position. He was a fighter and never veered away from the rough and tumble, either in the courtroom or in the Legislature. But he loved life too, and lived it to the fullest.

After his first try at election as a candidate he waited several years before running again. When he succeeded the late James Dempsey in the Ontario Legislature, he was not left with the back benchers for long. In quick succession he was named chairman of the private bills committee and Cabinet Minister with a portfolio of Mines. As Minister and member he worked hard for his riding of South Renfrew, with a great natural ability, astuteness and a practical sense of the facts of political life. There is no one around who will take Jim Maloney's colourful place in the history of this riding. Other men have and will serve in other ways but none the same as this one. To his wife and family we extend our deepest sympathy.

Now, Mr. Speaker, last June when the then hon. Prime Minister of Ontario (Mr. Frost) opened up Upper Canada Village at Morrisburg, we in the province of Ontario had

as our guests, Field Marshal Sir Gerald W. R. Templer, representing the British Army; the Honourable Douglas Harkness, representing the federal government; and Major General P. D. Scott, Colonel of the Irish Guards. And I think the hon. member for Stormont (Mr. Manley) will go along with my comment when I say that this development has meant a very great deal to the eastern part of the province of Ontario. Perhaps, Mr. Speaker, this Legislature would be interested to know that, although Upper Canada Village has not been completed, a great deal has been accomplished; a great deal more has yet to be done but this year, this current season, we had 221,000 visitors, which indicates the wisdom, the foresight and the judgment of the administration in making this development possible for the people who tour eastern Ontario. They have brought a great deal of money to my part of the country and I think their contribution to the grocer, the merchant, the motel operator, the hotels, every way of life, has been enhanced as a result of this very big development.

Now, Mr. Speaker, at this time I would like to pay my respects to Mrs. Jeanne Minninnick, who has looked after all the furnishings in the houses. She has arranged the gardens, the purchasing of the silver, the glass and the textiles to bring the homes of yesteryear to life so that the newcomer may know the way of life of our forefathers who hewed their way through the roughness of Ontario as it was a century ago.

I also want to pay my respects to Mrs. Duncan Boucher of Kingston who, free of charge, has looked after all the landscaping.

Another remark, Mr. Speaker, which I wanted to make today is this: that in connection with the reorganization of my former department of government—wherever my people may go who at one time served under me—I want to say that whoever gets them, whatever hon. Minister may get them will find he is getting loyal, enthusiastic, capable people; and he will find that they will serve faithfully and well with my successors as they have with me.

Now, Mr. Speaker, there is a point I would like to make, an opinion I would like to express as my own. Frankly I think that, if the United Kingdom goes into the European common market, governments of all levels—federal, provincial and municipal—are going to have some trials and tribulations by way of adjustment while this change takes place.

I have read statements in the newspapers, by people who perhaps in my philosophy are

easily offended and who say that, if the United Kingdom goes into the common market, it will be the first step towards the disintegration of the Commonwealth.

My submission is simply this: Since when did the dollar take the place of the blood of the old land that flows in our veins? And I am satisfied, though industry may for a time have to make readjustments, that the Commonwealth will stand in the future as in the past—a bulwark for freedom, representing what we think is a worthwhile heritage to leave to our children when our time comes to get off the stage of public opinion.

I am not prepared to consent, nor accept, nor subscribe, to the dollar against British blood. I take the position of the man who once represented Kingston, the first Prime Minister of this country: "A British subject I was born, a British subject I will die." That will be the point of view throughout the Commonwealth.

Now, Mr. Speaker, we have had, when I was a responsible Minister, Dominion-provincial conferences. We had one in London, we had one in Kingston, and latterly we had one in Toronto. I think these conferences are worthwhile and, quite frankly, I want to pay my respects today to the Minister of Trade and Commerce of the federal government in that he has arranged that all his trade commissioners—as and when they return from any part of the world—come to the different provinces and tell the responsible Ministers and the industrial officers what they found there; what they, in their opinion, think that we—from our raw materials—can make and sell to other countries.

Mr. Speaker, I am not so naïve as to take the position that we have not in this country today the very serious problem of unemployment. That is caused in two ways, first by automation, and secondly by the tremendous number of our young men who have a very, very poor education. Many of them did not go past the primary schools, with the result that, when opportunities present themselves, they are not able to accept them. One of the things that we have to face up to is this fact: that in the next 10 years we will have to find for our people 500,000 jobs—in other words, 50,000 jobs per year. Now, it is fair to say that Ontario is the workshop of the nation. We manufacture here today, more than 50 per cent of all the goods that are made in the nation; and, sir, we make in this province today more goods than were made in the whole of Canada prior to the outbreak of World War II. But what concerns me is this: that between 1950 and

1960 our manufacturing output increased by 40 per cent, but our employment only increased by six per cent. Anybody who has any sense of arithmetic at all will realize and appreciate that, when our output is being increased and our employment is going down, all levels of government have a very great problem to face in connection with the employment of so many of our people.

We have to sell our products in the market, Mr. Speaker—in foreign markets. A year ago this summer I was in the United Kingdom and in Europe with my wife—I always like to protect myself a little bit, we went there at our own expense. When we were there we met some of the industrial people. There has been a great deal of publicity, sir, in connection with the St. Lawrence Seaway. People in foreign countries tell me they have saved a very great deal—in relation to the cost of the manufactured product which they ship here—by not having to reload their produce at Montreal as they used to do in years gone by when we had the canal system in the River St. Lawrence.

What concerns me, Mr. Speaker, is this: When I stand on the south boundary of my riding of Kingston and look out into Lake Ontario, I see the ships from foreign countries sailing up, going westward, loaded to the Plimsolls, loaded with all they can carry. They are going to the Lakehead, maybe going to Duluth, but what bothers me is that, although I see these same ships going up loaded, they are coming back light.

My definition of trade is that it is a two-way bargain, and I hope that the day is not far distant when these ships that come over with their products will take back to their different jurisdictions, things we make in this country. I am one who believes, sir, that if we can ship less of our natural resources out in order to buy the goods that are made in other countries back again, we would be further ahead if we could make those goods in this country. Every time a person in a foreign jurisdiction makes a product from our natural resources, then, in my judgment, we are, what I might call, exporting jobs.

I would like to say a word this afternoon in connection with the industrial branch of the former Department of Commerce and Development. We have our agency in London headed by the agent general, Mr. J. A. Armstrong, who, in relation to public relations, carries on an admirable and outstanding service. From time to time he entertains those who register at Ontario House; he holds receptions, he attends receptions, and I think he does a very outstanding job.

He has, associated with him in charge of his industrial branch, an industrial commissioner of great ability, Mr. Webster Thompson, and with his immigration branch, Mr. Donald Donaldson. These are the people who do, in my judgment, an outstanding administrative job. Working in close co-operation with the head of the branch in Toronto, Mr. S. J. Lyle and Mr. Richard Stapleford, in my opinion, are co-ordinating the potential market for our people in connection, not only with the United Kingdom, but indeed with Europe.

Through the vision of the former hon. Prime Minister (Mr. Frost) an economic council was constituted. A twelve man team of top men in the fields of banking, manufacturing, retailing, utilities, atomic power, the press, labour relations, and the oil industry is already functioning to solve the major problems of industrial productivity.

Captained by Mr. O. D. Vaughan, and with eleven other names no less illustrious in varied fields of economic activity, this crack team has a two-fold purpose—

1. To review industrial employment problems which in the opinion of the committee are important to the industrial life of the province.
2. To deal with specific problems referred by government.

I say this afternoon, Mr. Speaker, that in my considered opinion—and it is only my opinion—that the point of view of the exporter from Europe and the United Kingdom is this: They are going to try to make what we need, as good as we can make it, and put it on our shelves and sell it for less. The one thing we have got to appraise ourselves of is this: that we are careful that we do not price ourselves out of the market, and make our goods and put them on our shelves, available for export which will not be purchased because they cost too much in other jurisdictions.

Now, at this time, Mr. Speaker, if I had a text it would be this: “and if any man compels me to go with him a mile, I will go with him twain.” We have done the first industrial mile together, let us continue that second mile for we find we are a goodly company.

Business today is highly competitive. The grade grows steeper and more and more of our strength will be called upon, but I have no doubt that the view from the peak that we most certainly will reach, will be splendidly rewarding, and what we then survey will be the results of our own united endeavour directed for the Prime Minister of Ontario.

Mr. Speaker, in conclusion at this time I would like to say to you and Mrs. Murdoch, the hon. leader of the government and Mrs. Robarts, to the hon. leader of the Opposition and Mrs. Wintermeyer, to the hon. leader of the New Democratic Party and Mrs. MacDonald, to your families and to those who support you in your house—the time is running out. December 25 is not far away—and at this time let me be the first in this House to wish you, one and all, a very merry Christmas and a happy New Year.

Hon. C. Daley (Minister without Portfolio): Mr. Speaker, in rising to take part in the debate of this House, I do so for the purpose of bringing to the Legislature some information with regard to the progress and the development of our parks system of Ontario.

However, before doing that I would like to make a very brief comment and be permitted by you, Mr. Speaker, to reminisce for a moment about The Department of Labour—which I had the honour to administer for some 18 years.

Back in 1943 when the Hon. George Drew was elected to lead the government, he phoned me in St. Catharines in the mayor's office—I happened to be the mayor at that time—and asked me if I would come over and be sworn in as Minister of Labour. It came as quite a surprise to me, I can assure you, but I was honoured and pleased that I—and my riding—had been so honoured to be asked to assume this position. I immediately resigned as mayor so that I could devote my full time to my new responsibilities.

At that time my friends said to me; “You are taking an awful chance taking that job. You are sticking your head into a hornet's nest. They will tear you to pieces. They will defeat you,” and many other things. One fellow added “The job will never last.”

I met that fellow the other day and he reminded me; he said: “I told you that job would never last.”

Everyone knows, at least a great many people who were in politics at that time—there are not so many left in this House who were in the House at that time—that there was a very limited amount of labour legislation on the statute books: Principally the establishment of a labour court at that time. This functioned reasonably satisfactorily but it was subsequently decided that it was not what was needed and a Labour Relations Board came into being. I am not going into any details of this but I thought that on leaving that position I would like to draw something of it to the attention of this House.

Long before my time a Building Construction Trades Protection Act was enacted and the responsibility for the administration was placed on the municipality. We have heard a great deal about the Building Construction Trades Protection Act in the last year or so and I thought I would like to make a little bit of explanation in that regard.

That Act was not completely ignored by the municipalities. A great many municipalities did do what they felt they could—what their finances would permit them to do at that time. Some of the smaller municipalities, I must admit, did not fulfill their entire obligations. The Act did accomplish a great deal, and in the larger centres of Toronto, for instance, and in many of the more financially-able municipalities also, an excellent job was done under that Act. But as things went on from year to year, new Acts came into being which rendered that Act not so necessary as it had been at the outset.

Right from the start in my administration—and it has been said by me publicly and in the papers—I have always maintained there should be a minimum amount of labour legislation. I believe that labour legislation should certainly be fair and impartial and that it should be clear and understandable. Labour and management should accept the responsibility to negotiate their differences over the bargaining table. That is where the deals are made; they are not made because of some legislation—they are made right at the bargaining table.

Labour should be given the right to bargain after certification procedures have been followed and bargaining rights acquired; the right to organize without discrimination and, after all the procedures are followed, the right to strike. Management rights, on the other hand, should certainly be preserved.

To everyone's surprise at that time there was a tremendous expansion of industry: more services demanded, more staff, more conciliation and so the labour department grew. From about 125 members when I took over, the staff has grown to something around 400 at the present time.

I think I can say that this province with this explosive industrial expansion had possibly less industrial disruption of any place with equal industrial expansion.

I was fortunate enough to have some very experienced people on my staff, Mr. Speaker. I had—not at the outset but shortly after—Mr. Metzler as my deputy. I had Mr. Finkelman as the chairman of the Labour Relations Board, who has consistently been

there with the exception of three or four years when he resigned to return as professor at the university—but we were fortunate enough to get him back—and Mr. Louis Fine, who is well known across this country and other countries as a chief conciliation officer.

I adopted at that time a policy—because certainly I admit that I was not familiar with this sort of business—of meeting with these three men on the staff monthly—sometimes weekly—to review every phase of the Act—its administrative problems that developed—and from our collective opinions to bring to this Legislature amendments to the Act—with the result, I believe, The Ontario Labour Relations Act was considered on a par or even better than most jurisdictions in Canada and copied by quite a few. We all know The Department of Labour, Mr. Speaker, cannot be free of criticism, and I do not expect it to be, I do not object to criticism, for constructive criticism often leads to improvements.

Throughout the years I have personally sponsored and had passed by this Legislature many Acts to improve conditions affecting the safety and welfare of the workers in the province: Hours of Work and Vacations with Pay Act, Trench Excavation, Construction Hoist Act, Elevator Inspection Act and some others.

With the help, again, of some very fine, competent people in the department, I was able to evolve and write regulations on these various Acts: Mr. Gibson, down there, who is the Director of Technical Services, Mr. Ehmke, boiler inspection, and many others; we would meet and devise these things that we thought would improve the safety and welfare of the worker in this province.

Much criticism of me has arisen in this House or other places on the fact that we have not made regulations covering the foundries of this province. Mr. Speaker, I worked with my people for years endeavouring to make regulations, but we always came up with the stark fact that to incorporate, and put into a statute, regulations concerning the foundries would simply have eliminated about 90 per cent of the small foundries in this province. Men who had worked in them for years and knew nothing else but foundry work would certainly have been out of jobs, because competition has become awfully keen between the small foundries and the big ones. We had no trouble with the big foundries, they did not need regulations or anything. They built according to the regulations that we had designed. So I decided rather than implement regulations I would get some good

foundry men, practical men, to go into these foundries and by some pressure and some education and encouragement get them to follow out what would have been in regulations had they been enacted and to improve their plants, improve their housekeeping, improve their ventilation and do many things.

That proved extremely successful. It did not put these people out of business and it did make the plants healthier and cleaner and better to work in. It was very satisfactory, I thought, but of course one can never allay criticism.

I did not want to see all the foundry work in this province going to the big plants. The number of these shops has reduced for competitive reasons to not over half what there were 10 years ago. I think big business is essential in our economy, but I still think the little fellow should have every protection. So, as it has been said, I have always endeavoured to protect the little fellow and to that I will have to plead guilty.

Safety has been constantly under review, particularly The Operating Engineers and The Boiler Pressure Vessels Act.

Next, in labour relations, came the revolution, shall I say, the select committee. This committee sat for over two years and The Department of Labour was stymied. For that particular length of time, we could not suggest amendments because we had to wait.

So we waited. The report came down and the report was a very well studied report and in the opinion of the select committee was a very worthwhile document. But when it became public, when the information got out, I attended with the then hon. Prime Minister (Mr. Frost) meetings with both management and labour. They advocated that the hon. Prime Minister leave the Act alone. It was a good Act as it was.

Well, he said, you people have been criticizing this Act for years—now you tell me it is all right, it is all right and leave it alone. But changes were made, Mr. Speaker. The difference has been that the Labour Relations Board's work has been tripled, they are operating in panels now—at least three and maybe four panels. It is harder to get a decision.

The Labour Relations Board today is a legalistic battlefield, it is a lawyers' paradise, shall I say, where they are contesting every decision now. Decisions used to be made quickly, speedily. It now takes about four times the length of time to get a decision.

I have spoken to the professor at different times, asking why we cannot get these deci-

sions out quicker; it is because the lawyers are contesting the interpretations of the new sections that have been put in the Act and it is a very complicated piece of legislation.

As I have said, in my opinion, I always thought that labour legislation should be simple and not too complicated.

Mr. Speaker, from suggestions and talk in this House I rather got the impression, and I thought the public might, that The Department of Labour is like the song, "The Old House Has Fallen Down," it is not going to last. But that is not so. I say to you, Mr. Speaker, that The Department of Labour today is well housed in a fine building, able to do actual, efficient administration and manned with competent people.

I am going to name a few of them: Mr. McNeill, apprenticeship training; Mr. Ehmke, elevator inspection; Mr. Turton, factory inspection; Mr. Hutchinson, boiler inspection; Mr. Lacey, operating engineers, who has just recently been presented by the Operating Engineers of Ontario with a life membership for outstanding service to the operating engineers of this province; Professor Finkelman, the Labour Relations Board; Mr. Fine, conciliation; Mr. Gibson, technical advisor and Mr. Metzler the Deputy Minister of Labour.

I say to you, Mr. Speaker, if there are more competent people to do the kind of work that these men are doing and are so skilled in, I simply do not know them. Each of these men graduated from the ranks of the department, because it has been our policy over the years to promote from within.

Mr. Speaker, 18 years ago this was just a small department, almost insignificant in the affairs of this province. Today it is a live, active department which makes a good contribution to the affairs of this province. I do not want the impression to go out that I am handing over to my successor a broken-down department. I speak for him, and I know he will get the conscientious support of the excellent personnel that I have been favoured to have worked with all these years. I would say that the government of Ontario all these years has been most considerate and most generous with moral support and financial support to carry on the work of The Department of Labour.

The purpose of my getting up here was to acquaint hon. members, because I believe it is of some interest, with the developments in the parks field in which I have the honour to play a part.

Niagara Falls—During this year the number of park visitors shown on our traffic meters

is recorded as slightly less, contrary to opinion, than it was in 1960. The traffic count is taken at the three main entrances to Queen Victoria Park, also one of the north parkways and one of the south parkways and into Queenston Heights Park. Traffic count through the year was 3,188,350 cars. That is slightly less than in 1960.

This would be a logical place, I think, to mention the traffic survey presently being made by the city of Niagara Falls and the township of Stamford. This is being done by H. G. Acres and Company, Limited, at an estimated cost of \$65,000. The Niagara Parks Commission pays \$4,400 toward this and the Niagara Falls Bridge Commission \$1,500 and under existing legislation, The Department of Highways contributes 75 per cent of the balance. The traffic into Queen Victoria Park is of considerable interest in the overall traffic and transportation survey.

Two years ago the commission, at some considerable expense, installed on a trial basis special landscape illumination in Queenston Heights Park covering an area of about 10 acres. This advanced lighting treatment is new on this continent as far as public parks are concerned. This year we decided to carry this further and proceeded with the same sort of lighting in Queen Victoria Park. If hon. members have not seen it, I suggest that some day when they are in the area they visit there. It is very attractive and draws a lot of interest from the public. The lighting enhances the natural colouring and contributes to the enjoyment of the people in the park. This was a capital expenditure and, I think, ran in the neighbourhood of some \$125,000 to complete this work. But it gives a very beautiful effect.

We had to build a new 20,000 gallon water tank at Queenston in order to keep our water supply there sufficient to operate. From that line we also supplied water to the township of Niagara.

There was a great deal of work done at the Hydro intake near Chippawa. When the Hydro completed their work, they turned the land back to us and we have had to do a lot of work in this connection.

Now we are erecting a new building at the school of horticulture which will provide lecture rooms, administrative offices, laboratory, herbarium and other facilities badly needed. The building is 40 by 100 ft. and replaces an old frame building which has been there since 1935. This school is of interest; it has been mentioned here for many years, and I think it is one of the attractions of the area. It is certainly a beauty spot and

the students, who are carefully selected, come not only from the province of Ontario but from other provinces, of which we are glad. We believe it is a contribution that the Ontario Parks Commission has made to the beauty of Canada as a whole because these students eventually accept positions—very fine positions—all over this country and even in the United States.

Of the new projects we have taken on this last year: When the Queen Elizabeth Way was built through the township of Louth in Lincoln county, the beaches along there—about three-quarters of a mile long—were, in a practical sense, deprived of access by the general public. Our new beach park is located at the effluence of the Fifteen and Sixteen Mile Creeks. There are about nine acres of land and the plan developed for this area includes a parking area for about 500 cars, a service road into it was built by The Department of Highways, running from Gregory Road west to the new park, and included a bridge.

The land was purchased from Mr. Jeffery, the farmer who owned it, for \$55,000. The contracts for the parking area and the grading totalled about \$55,000, and the contracts for the new buildings which we are establishing there, changing-houses and various necessary facilities, are running about \$53,000. We feel that this is going to be a great addition to the parks system in the area and it is the first time that the Niagara Parks Commission has extended its activities beyond the borders of the Niagara River.

During the year, our commission, with the approval of the Ontario Parks Integration Board—and at the suggestion of the Welland county council—undertook to search out possible beach areas along Lake Erie. Two of these have been inspected by the integration board, namely a beach at Sherston, about five-eighths of a mile long; and a property near Fort Erie, close to the south end of the Niagara parks system. This latter property was formerly the old Erie Beach amusement park and comprises about 50 acres. It is owned by the Bardol family.

In line with government policy, The Department of Public Works land valuers are presently negotiating with the owners of these two areas, seeking to establish whether the properties are for sale and the price for which they can be purchased. When this has been established, the matter will be reviewed again by the Ontario Parks Integration Board. Beach areas have, over the years, fallen mostly into private hands in that area. This is an endeavour to get back some public

beach and places of recreation for the use of the general public.

There is also another area of land, a vacant area of about 140 acres, owned by Welland Securities Limited. This property occupies a prominent position along the parkway near the Hydro intake area at Chippawa. In the long-term planning of the parks at Niagara, it is considered by the commission that this property is important as it provides, for one thing, parking areas to service the many visitors to Niagara Falls who come to view the falls and Queen Victoria Park, and who presently find great difficulty. Similar negotiations are proceeding with the owners with regard to this property.

Our commission owns a substantial acreage at the shipyards about five miles north of Fort Erie, and also has under lease a substantial acreage at the north end of the parks system—the former ordnance lands in the town of Niagara. These lands I have mentioned will be very costly to procure for the parks system which presently works on a budget; the system will have to have these lands acquired by the provincial government. But the commission and myself feel that we have to look with some vision into the future. These lands are very necessary for the continuance and maintenance of that great attraction.

There is great commercial development taking place over there along the fringe of the Niagara parks system. One of these is going to be a great tower which is presently being built some 300 feet high overlooking the falls, with restaurant and sightseeing facilities—300 feet in the air. It is being located there now. They have had a bit of trouble; hon. members might have read there was a fire the other night, during the construction. But there is another building planned, supposed to cost \$25 million, being located on the escarpment just above the falls. All these great expansions on the fringe of the Niagara park will make it necessary for the park to keep alive and protect its interests and the interests of the people in that area.

Another new project for the Niagara parks commission is the Stoney Creek battlefield. During the year negotiations were carried out between the provincial government and the federal government. They have an interest in that monument at Stoney Creek, and the Wentworth Women's Historical Society and The Department of Northern Affairs desire that this monument be perpetuated. It is a historic battlefield but has fallen into some disrepair.

The suggestion was made that the monument be taken over by the Niagara Parks

Commission. This we have agreed to do under certain circumstances. It was necessary to secure some additional land there at a cost of \$55,000, and the federal government are going to put up \$25,000 and the provincial government are paying the balance. The federal government are going to rehabilitate the monument which needs some considerable stone work, and the Niagara Parks Commission are going to take on the job of landscaping and the maintenance of this area.

I am sure that when it is completed, the people in Wentworth will be quite pleased with what has been accomplished there, and the main thing is that it will perpetuate another very worthwhile historical monument in this province. The historical society have had this monument under their care since 1890, and never really had enough funds to do a proper job on it; they all seem to be very pleased that at last this historical area is going to be properly looked after.

The revenue producing facilities—the commission is engaged in commercial operations in a substantial way. We have about 10 revenue producing facilities from Old Fort Erie to Fort George and Navy Hall at Niagara-on-the-Lake. Chief among these are the Refectory restaurant, Table Rock House with the scenic tunnels, the Princess Elizabeth building in Queen Victoria Park, the Niagara Glen restaurant and the Queenston Heights restaurant.

The commission also has agreements with three private concerns, namely, the Maid of the Mist Steamboat Company, the Niagara Concessions Limited and the Spanish Aerocar, over the whirlpool. With the exception of these last three, all other commercial operations are operated directly by the commission and this has been true since early in the century.

The commission's gross income runs now to about \$2½ million, with a net profit of about \$850,000 annually. This, with the water rentals from Hydro and the Canadian Power Company, totalling \$800,000, provides the revenue to operate Niagara parks and to make any capital expenditures considered necessary. These capital expenditures will run to a figure of about \$450,000 during the current year.

An 18-hole golf course near Niagara Glen continues to operate on a satisfactory financial basis and to the enjoyment and enrichment of the lives of about 45,000 people each year who play there.

The matter of the water levels in the Niagara River is something that is giving us and the people in the area some considerable concern. This is a subject that has engaged

the attention of the commission, particularly in recent times, when the flow over Niagara Falls, the combined flow, was reduced to 50,000 cubic feet per second on November 1, 1961. This is in line with what is permissible under the 1950 diversion treaty, but the general appearance of the Falls and particularly the upper rapids and the lower river has caused public and government concern.

All of this is being studied by the International Joint Commission and by the Hydro and by the Power Authority of the State of New York. Some months ago, the two governments authorized the International Joint Commission to proceed with an extension of the Niagara control structure, and this work is going on now. Generally speaking, it is designed to preserve the level of water in what is known as the Grass Island pool and also to facilitate the passage of ice through the structure and downstream.

In 1950 a treaty between the United States government and Canada was enacted dividing the use of water equally between these countries and stipulating that there should be 100,000 cu. ft. per second flowing over the Falls with lesser amounts during the night and certain hours in the winter time in the day time. This called for certain remedial work to be carried out—which has been largely completed—to provide for an even curtain of water flowing over the falls. This wonderful engineering feat was very successful and the beauty of the falls was not seriously impaired in the season when millions of visitors come to view this wonderful sight.

However, in the river below the falls where the *Maid of the Mist* operates, the picturesque rapids have deteriorated to a considerable extent. I mention this because there is a movement on foot to permit the power companies to utilize a greater amount of water, which would certainly lead to a change in the treaty. I, and my commission, and in fact the people of the area including Buffalo and Niagara Falls, New York, are convinced the maximum is presently being taken.

A story in the Buffalo newspaper reads, and I quote:

Sorry, but we can find little reassurance in the Robert Moses protest that no plot is afoot to mar the majesty of Niagara Falls. "There will be no ambivalence" in the minds of powermakers, said the State Power Authority chairman, because they know "the beauty of the Falls comes first."

"After all," said Mr. Moses, "we are the watchmen. We do not carry water on both shoulders." So far, well spoken.

In the next breath, however, Mr. Moses conceded that the power people in New York and across the river are seeking—"for experimentation" only—to divert from the Niagara, more water for power purposes than permitted in the 1950 international treaty guaranteeing the cataract's beauty.

This is not carrying water on both shoulders? What is the "experimentation" for if it is not leading up to a clamour for revision of the 1950 treaty for a greater power diversion? All Mr. Moses had to do—and all he has to do now—to prove how good a watchman he is, is to say flatly that he opposes any further diversion of water beyond that allowed by the 1950 treaty.

In view of this I personally went to New York to discuss this problem with Mr. Moses, and I can say in fairness to him that he assured me that he was equally concerned along with myself about the preservation of the cataract.

On the other hand, Mr. Moses stated, and one must agree, that if further water can be taken and used rather than wasted without further deterioration of the majesty of the Falls, then it should find favour. My commission has authorized me, as chairman, to take all steps possible to prevent any further deterioration unless it can be proven beyond the question of a doubt, by actual tests on the site, that there is additional water available for the making of electrical energy without causing greater damage to this world-famous spectacle.

I bring this to the attention of the House because I am sure there will be a great deal of discussion about it. It is a very important thing.

In regard to the staff on the Niagara Parks Commission, they are civil servants; they enjoy all the benefits similar to other civil servants in the province with the exception of the students at the school of horticulture. Our year-round staff totals about 260 and in the summer season the number reaches about 775.

That is a brief outline of the activities of the Niagara Falls Parks Commission. I am very serious when I say, Mr. Speaker, I think the people would be, should be, greatly concerned about the question of water, additional water, being taken from the Falls. It is, as I have pointed out by reference to the millions of people who have come there, by the revenue that it produces for the province and by the great opportunity that so many have for relaxation using its 35 miles of parkways,

vital that nothing should ever be allowed that would permit the deterioration of that great spectacle.

Next a brief outline of the Parks Integration Board. I have had the honour to be chairman of this board since it became a board, that is for five years now. I think the board has played an important part in park development in the province of Ontario. We have, during this time, taken a very active part in the co-ordination of parks administration and development. We have been, in fact as well as in name, an integration board.

My colleagues, the hon. Minister of Lands and Forests (Mr. Spooner), who is vice-chairman; the hon. Minister without Portfolio (Mr. Nickle); the hon. member for Leeds (Mr. Auld) and the hon. Minister of Labour (Mr. Warrender), have been diligent in their obligations in serving as members of the board. We feel we have accomplished something.

Recent changes in the government have necessitated the introduction by the hon. Minister of Energy Resources (Mr. Macaulay) just the other day of Bill No. 6, An Act to amend The Ontario Parks Integration Board Act, which received its third reading on Monday of this week. The amendment provides for the hon. Minister of Economics and Development (Mr. Macaulay) to replace the Minister of Planning and Development as a member of this board. This change will enable us to operate effectively in the future.

There is no necessity, Mr. Speaker, for me to tell you all the details of the operations of this board, but I can tell hon. members that the parks system of the province of Ontario is becoming more and more useful and worthwhile within our province.

It is an important subject which is discussed almost daily by a great number of people, and I speak with reference to 1,026,836 persons who visited the St. Lawrence Development Commission historic sites between mid-May and mid-October of this year; the 6,600,000 who visited the Niagara Parks Commission sites during roughly the same period, the 6,250,000 who visited the provincial parks and the 1,750,000 who visited conservation authority parks. I do not wish to dwell on these figures, but they do indicate most dramatically the importance and popularity of parks. Everywhere I go I am told by many who have made use of these parks, how much they enjoyed them and how the parks made possible more memorable holidays which otherwise could not have been considered. People are becoming more park- and recreation-minded,

Mr. Speaker. With shorter hours of work and more financial ability, many of our people who have never enjoyed, or had the opportunity to enjoy, these parks are now taking advantage of them. In these parks, of course, a man can take his whole family and enjoy the various activities, and it certainly gives me a great deal of satisfaction to know that the people who take advantage of this are appreciative of it. You hear it all over and I think the Ontario government is to be commended for the money it is pouring into park development.

We have held 23 regular meetings of the integration board, and as the board members are Ministers, hon. members will recognize that they had to be fitted in between their other activities. I would say that the regularity with which the members attended the meetings was outstanding. During the course of these 23 meetings we dealt with 133 separate items of business, involving many phases of park development and administration. We approved the acquisition of 40 pieces of property of various sizes for parkland, four of these were for the establishment of new parks, the rest were for additions to existing parks. One of the new parks was for the Niagara Parks Commission, one for the St. Lawrence Development Commission, one for a provincial park and one for a conservation authority park.

We now have under investigation 14 sites for possible new parks. No doubt many of these will be found to be unsatisfactory, but they are of sufficient interest to warrant a thorough investigation. There are nine pieces of property being studied for additions to existing parks, the enlargement of which will make for more efficient operation. Seven new parks were proposed during the past year but after careful study they were turned down for reasons of unsuitable terrain, poor location or even prohibitive cost.

We approved the closing of a small park at Mazinaw Lake provincial park on Highway 41 because the 1,450-acre Bon Echo provincial park is located on the same lake only six miles to the south. The action was taken to avoid unnecessary duplication and to eliminate a small inefficient unit.

Recently we have given favourable consideration to the resolution passed by the council of the municipality of Shuniah, located about five miles east of Port Arthur on Highway 17. In the resolution they requested that the 16-acre Shuniah provincial park be transferred to the municipality, and be operated as an improved park under The Parks Assistance Act. This park will soon become

the property of the people of the area and when the transfer is completed, application will be made for assistance under the Act. If they agree to meet the requirements as outlined in the Act and regulations, they will be eligible for a grant of one-half of the cost of the development up to a maximum of \$50,000.

This action, Mr. Speaker, will release The Department of Lands and Forests from a small project and permit them to concentrate their energies on the development of large parks in the area; at the same time it will provide the stimulus for this progressive municipality to take an active and important part in our expanding park programme.

During the past year we have dealt with 11 applications for aid under The Parks Assistance Act, from cities, towns, villages and townships. These 11, we approved immediately as we were certain that the conditions of the Act and regulations had been met and agreed upon. In order to become eligible for this assistance they must comply with certain regulations. Many others have not as yet completed their applications or met the requirements to the satisfaction of the board.

One new conservation authority park was approved for purchase and development during the past year and one very small area was turned down because it was not considered to be in the best interests of the whole authority area. These conservation authority parks are serving a very useful and important function. Therefore, the board gives them very close attention in order to assure that they will be as effective as possible in the overall park picture.

In recent years, the development of parks has caused a great increase in the traffic on some of the roads leading to the parks. This increase in traffic has caused many problems in maintenance, especially for townships, where road standards are not high. The local governments found themselves unable to cope with the situation and sought help from the province. The board was instrumental in the introduction of section 5 to The Provincial Parks Act, by which the hon. Minister of Lands and Forests could enter into agreements with local governments for the improvement and reconstruction of roads leading to provincial parks.

The agreements are on a share basis. The amounts to be borne by the province are determined by a careful study of the traffic flow. When an agreement has been reached, it is then submitted to the board for study, and if it is found in order, it is given

approval for the hon. Minister of Lands and Forests' acceptance.

We dealt with three of these agreements during the past year, involving a total of some 11 miles of road. Provision is also in legislation for this help to be given in the case of commission parks and conservation authority parks.

The Wasaga Beach area has presented a problem for several years, and members of the board have visited the area on several occasions. Some of the members were there early in the summer and met with the local councils to discuss the matter and as a result we are now moving on land acquisition according to plans submitted by the hon. Minister of Lands and Forests' department. I know, sir, that you can look for much improvement in this area in the near future. Development was greatly hampered by space, but this problem will be lessened by land purchases now underway.

Hon. members are no doubt aware of the problems in which we became involved at Stoney Creek. I think I have made sufficient explanation of what is being done at Stoney Creek Memorial.

On June 24 of this year, Crysler Farm Battlefield Memorial Park and Upper Canada Village were dedicated and opened to the public. Since that date, 212,494 people have visited the area. There is considerable to be said about that, but I think one of our commission, Mr. Speaker, would probably give a better explanation of what has gone on in that great new park area than I could.

We have under study the advertising and publicity given to parks which come under our terms of reference. This will be completed in the near future and our recommendations may clear up some confusion which is now prevalent among the public at large.

We have underway an intensive study of the recreation lands within a radius of 50 miles from the Toronto-Hamilton region. This project has taken more time than was anticipated. We were obliged to wait for replies to our questionnaires from municipalities, clubs and associations before we could start our compilations and assessments. We now know that there is in excess of 44,443 acres of land used for recreation in this area.

The parks integration board feel that parks should be developed even more intensely in areas where the population is located rather than far afield to areas which are difficult to reach. A great deal of study is being done on areas where there is heavy population.

Mr. Speaker, I have outlined to you the main functions and operations of the Ontario Parks Integration Board during the past year. You will notice that all of these boards have been far from idle.

I am now, of course, going to have a little more time to deal with these matters. I do appreciate being given the opportunity to make this presentation to the House.

Mr. K. Bryden (Woodbine): In rising to make my contribution to this traditional Throne Speech debate, I would like first of all to join with others in extending through you, Mr. Deputy Speaker, my continued appreciation of the fine work which our Speaker has done in guiding the deliberations of this assembly.

While you are in the chair, Mr. Deputy Speaker, I would also like to extend my congratulations to you on your elevation to this very important post of Deputy Speaker and chairman of the committee of the whole House.

I would also like to join with others in congratulating those Cabinet Ministers who are on their way up, apparently, in the hierarchy, and my condolences to those who appear to be on the way out.

I may say, Mr. Speaker, that I followed with very great interest that event which—shall we say—preceded the quite significant Cabinet shuffle that has taken place recently, namely, the great circus known as the Ontario Progressive Conservative leadership convention. I followed with particular interest the speeches made by the various candidates for the leadership of the party. I was not at the convention, but I followed the speeches as they were reproduced on C.B.C. television—most of them reproduced live.

I regret that the hon. member for Dufferin-Simcoe (Mr. Downer) is not in his seat at the moment because I would like to extend to him my congratulations on what I consider was quite a remarkable achievement in having outlasted two Cabinet ministers in the race that took place at that convention. The hon. member's success demonstrated that unregenerate, moss encrusted Toryism still has considerable appeal to delegates at Conservative conventions.

The other candidates had been worked over by the public relations people sufficiently that they couched their reactionary ideas in—shall we say—language somewhat more acceptable in this day and age. I will say for the hon. member for Dufferin-Simcoe that he says what he thinks and he says it in a forthright and honest manner; and although I agree with

mighty little of what he says, I admire him for it.

I would also like to extend my congratulations to the hon. Minister of Health (Mr. Dymond). In my opinion he made by far the best speech of all the candidates for the leadership. In fact, I would say it was really the only good one. It was a good speech; his delivery as usual was effective—perhaps even more effective than usual—and the content of the speech was thought-provoking. That of course was his fatal error. He asked the delegates to think and they turfed him out on the second ballot.

In my opinion, Mr. Speaker, the hon. Minister of Mines (Mr. Wardrope) who was the only one who went out of the race before the hon. Minister of Health, made the second best speech. I will say that he did not give any credit to the author but he did have a very good manuscript which he delivered in a loud, clear voice. Furthermore, Mr. Speaker, he did not make the mistake that some other candidates made of trying to look up from his manuscript.

Mr. E. W. Sopha (Sudbury): He spoke to the ladies, too; remember that.

Mr. Bryden: Yes, he spoke to the ladies too, as the hon. member for Sudbury has reminded me.

These were the best speeches, but the speech that I enjoyed better than any of the others was that of the hon. Attorney-General (Mr. Roberts). Unfortunately, most of these gentlemen are absent when I attempt to pay compliments to them. However, I will proceed with my compliments nevertheless, Mr. Speaker. The hon. Attorney-General was at his uninhibited fumbling best.

Hon. J. P. Robarts (Prime Minister): Is the hon. member surprised they are not here to hear him?

Mr. Bryden: Well, not exactly. At any rate he certainly fumbled better than usual; he sprayed his fire in all directions, trying to pick fights with everybody. As a matter of fact, I thought he was going to come out with the slogan "Roberts for Rhubarbs" but he did not quite make it. The gong was rung, time ran out, and even then he did not have enough sense to sit down. It was quite clear all through his address that he was waiting for divine guidance, but unfortunately that guidance did not come until after the time limit had expired.

The hon. Prime Minister (Mr. Robarts) as he now is, but the hon. Minister of Education

as he was then, made a speech which was a masterpiece of dullness. But I will say this, he did not make the mistake of trying to say anything. He lulled the delegates to sleep and thereby caught the mood of the convention perfectly. There was no doubt in my mind after having seen all the performances—and very interesting performances they were—that the hon. Prime Minister was the best choice. The delegates made the best choice, there is no doubt about it at all. He had no programme, the delegates had no programme; he is therefore a perfect spokesman for them.

Mr. Sopha: Does the hon. member think they were better than the Flintstones?

Hon. Mr. Robarts: At least there was some choice; the hon. member must admit that.

Mr. Bryden: I thought it was somewhat significant, Mr. Speaker, that the registered delegates at the convention apparently could not work up enough enthusiasm for any of the candidates that they were willing to participate in any of the quite elaborate and highly contrived demonstrations that were put on, ostensibly in support of the candidates.

The result of that was that the candidates had to seek out university students and others who could be induced to synthesize enthusiasm by offers of free drinks and other similar benefits. The convention was not particularly colourful because, in my opinion, the demonstrations were so highly contrived. But I will say that it had its colourful aspects. A reporter for the *Toronto Daily Star*, writing in the issue of October 25, 1961, managed to catch some of the colour in the following story which I would like to read to the House. I am sure that the delegates to the convention did not have time to read it.

This reporter, who is unnamed, said:

The Conservative convention held at the University of Toronto has produced a new type of campus operator—the slave dealer. With seven candidates vying for support, hospitality is flowing freely at the nearby Park Plaza Hotel. Prominent among the delegates, lurching from room to room uttering candidate slogans and college yells (and sometimes garbled mixtures of both) are enough youths to make up a basketball league.

“But that is nothing really,” explained a senior student. “For years college boys have been drifting into cocktail parties and meetings wherever nourishment is being dispensed on a not-too-security-conscious basis. This year we have done even better.”

So at least one can say that some benefit came out of the convention.

Last week, he said, a member of the committee of one of the candidates phoned a fraternity house and said his group needed some labour. The senior fraternity members conferred and after a polite amount of haggling they came to terms. “We’ll provide 15 husky, willing fraternity pledges for the three-day convention and you will put \$150 into the frat funds.”

The candidate’s committee delegates what tasks are to be done—placards to be carried, cheering sections suddenly produced in this or that area of Varsity Arena, handbills to be distributed—then repair to the committee to await progress reports.

And I would like also to quote briefly from the *Globe and Mail*—a story of some of the colour of the convention—which also appeared on October 25.

Mr. R. C. Edwards (Wentworth): The hon. member was very interested in the convention.

Mr. Bryden: Oh, I was indeed, as I said at the outset.

About 50 male University of Toronto students paraded last night for Conservative candidates but they claimed they did it to demonstrate—

and this is in quotes:

THE CORRUPTION OF THE CONVENTION

Some students said that though they are not Conservatives, they were promised free liquor as a reward for wearing paper hats, carrying banners and staging “spontaneous”—

“spontaneous” is in quotes, Mr. Speaker.

—“spontaneous” demonstrations in Varsity Arena.

As one student put on a campaign hat he said, “I want to make it clear that I am not for or against this guy, I just want to protest against the whole silly system.”

One student said workers for a candidate approached him Monday and asked if he could round up a group of students to demonstrate at the arena. The workers, he claimed, stressed the quantities of free liquor that would be available for the students if they agreed. Yesterday a worker for another candidate made a similar proposal to another student, he said.

So much for the colour of the convention, Mr. Speaker. It was my impression from

having taken what I described previously as an avid interest in this convention, that most of the colour and the programme at the convention came inherently from those emporia that are under the jurisdiction of the newly-appointed minister of refreshments.

Mr. D. C. MacDonald (York South): We should have a Royal commission to investigate that convention; to see how many laws were broken.

Mr. Bryden: Mr. Speaker, I would now like to turn to some of the matters that have arisen in connection with the debate on the speech from the Throne.

Some time ago my hon. leader placed on the order paper of this House a sub-amendment to the address in reply to the Throne speech which contained eight very sensible and valuable suggestions to the government. I am not going to cover all eight of those points, but there are two that I would like to deal with at some length.

The first to which I would like to call attention is item two of the points which the hon. leader of my group proposes should be added to the main amendment. That item reads as follows:

And this House further regrets:

2. That the government has failed to act decisively and with a due sense of urgency to remedy the gross neglects of adequate safety precautions in important sections of Ontario industry, particularly the construction industry, and has thereby permitted the safety and even the lives of countless workmen to remain in jeopardy.

Now, whenever one starts to talk about industrial safety, Mr. Speaker, at this time at any rate, he inevitably refers to the report of the Royal commission on industrial safety which was submitted in the middle of October. That report, though expressed in carefully measured and deliberately unsensational language, is a stinging indictment of The Department of Labour and the government.

I must say that I appreciated the speech made just before I got up by the retired hon. Minister of Labour (Mr. Daley)—I thought it most interesting, certainly some of his reminiscences of his department were—but it surprised me that he apparently was completely unperturbed by the report on safety that has come down relating to one very important phase of the responsibility of the department which he administered until very recently.

I would just like to quote a few extracts which can be found on pages three to five of that report.

Considerable evidence was heard regarding the function of the accident prevention association established under the authority of The Workmen's Compensation Act, and your commissioners have concluded that the present system would function more effectively by placing the associations under the jurisdiction of the Workmen's Compensation Board and operating through an executive administrative committee of the associations responsible to the board.

Then a little further down, speaking in general terms of the Acts and regulations administered by the department, the report says:

Some of the Acts and regulations were found to be archaic and outmoded. This is particularly true of The Building Trades Protection Act which is almost unknown and unenforced.

Then another sentence a little further down on page four:

The Factory, Shop and Office Building Act is generally antedeluvian.

Then the next paragraph:

Evidence of defective construction of arenas is the basis for a recommendation that the plans for public buildings be submitted for departmental approval and that such buildings be subject to periodic inspection.

The Operating Engineers Act dates from 1907 and subsequent amendments have been largely for the purpose of clarification rather than modernization.

Safety regulations relating to foundries and ionizing radiation have been formulated but not promulgated, and workers in these fields are not at present protected by legislation.

Your commissioners recommended that regulations covering these fields be implemented at an early date.

Apparently that recommendation had no effect at all upon the retiring hon. Minister.

Then on page five:

The highest accident frequency rate in the province is in the logging industry, yet there is no legislation for the protection of workers in this field as in sawmills.

Révision of regulations relating to workers in compressed air is recommended,

based upon medical evidence and a comparative study of similar regulations in other jurisdictions.

Particular reference is made to "bone death" as a consequence of caisson disease.

Then again:

Considerable evidence was heard on the explosive hazards of agricultural dust in grain elevators and flour mills.

And so on.

I would just like to make one more reference to the report, Mr. Chairman, and that is a paragraph on page seven:

The testimony of the officers of The Department of Labour generally with respect to the adequacy of the Acts, their enforcement and the number of inspections and inspectors required indicates a degree of satisfaction—

notice these words:

—indicates a degree of satisfaction that is inconsistent with the requirements of keeping pace with a rapidly growing industrial technology.

Mr. Speaker, it is obvious from this report—and I am not relying on any information that I have on my own and that I have brought to the attention of this House in the past, I am relying entirely on the Royal commission which investigated this matter most exhaustively over a period of 18 months—it is quite obvious from this report that we have a most serious situation.

Hon. G. C. Wardrope (Minister of Mines): Mr. Speaker, could I ask a question, please? What is the date of that report?

Mr. Bryden: I would have thought—

Hon. Mr. Wardrope: This year? Is it this year?

Mr. Bryden: I would have thought that the hon. Minister of Mines (Mr. Wardrope) would have been sufficiently aware of what was going on in the government of which he is a member that he would be familiar with this. It is about October 15. It is a report that was handed down—

Hon. Mr. Wardrope: This year?

Mr. Bryden: Certainly.

Hon. Mr. Wardrope: Is the hon. member aware that millions and millions of dollars have been spent by the grain elevators at the Lakehead to prevent dust explosion and to

ensure the safety of workers there? Does it say that in the report?

Hon. C. Daley (Minister without Portfolio): Because of our regulations!

Hon. Mr. Wardrope: Because of the regulations of this department!

Mr. Bryden: Certainly it says that in the report. I was reading their general conclusions.

Hon. Mr. Wardrope: Why does the hon. member not bring that out?

Mr. Bryden: Perhaps the hon. Minister could bring that out in due course. He apparently has not even heard of the report. I would suggest to him that before he asks questions he take the trouble to read the report because it is a very instructive public document.

Hon. Mr. Wardrope: I know that. But the hon. member is not being truthful about it.

Mr. Bryden: I have just finished reading extracts from the report. Apparently it came to the poor hon. Minister as a great surprise. I think that the commission's own summary is a fair portion to read from, I think that they are quite capable of summarizing their findings.

There is no doubt that a considerable amount of work has been done trying to improve this very difficult problem of dust hazard in elevators. I may say that very little was done until there was a terrible explosion up there. That is one of the difficulties with regard to administration of safety legislation at all times—nothing ever gets done until several people are killed. There is never any foresight, and in fact hindsight is frequently very, very slow in operating.

However, I am not particularly concerned to deal with dust hazards in elevators, because, although I consider it an important problem, there are some others that, in my opinion, are more urgent.

As I was saying, Mr. Speaker, the situation that we now have in this province is that the health and safety and even the lives of countless workmen are in jeopardy and yet the attitude of the department as revealed by statements made in this session—and indeed today—is one of supreme complacency reaching even to the point of total indifference.

The Royal commission renders a very fine service in summarizing information for the

benefit of the public and of anyone who may be interested. But I think we should bear in mind, Mr. Speaker, that the basic information contained in that report is not new. It has been well known for a long time that there is a serious lack of safety precautions in many important industries in this province.

Indeed, the hon. leader of my party and other hon. members of this group have called the attention of this House on frequent occasions to urgent safety problems in the province. Invariably, the answer of the then hon. Minister of Labour (Mr. Daley) was that we were a bunch of troublemakers who were interested in nothing but trying to stir up trouble.

However, that excuse became tragically inadequate after the Hogg's Hollow tunnel disaster a year and a half or almost two years ago and the scathing report of the coroner's jury which inquired into that disaster. As a result of the disaster and the coroner's jury's report, a situation was created which the government could no longer ignore. However, did it act, Mr. Speaker? Did it do something, even on a temporary basis, to remedy the sort of situation, the kind of abuses, that had given rise to the Hogg's Hollow tunnel disaster and to the serious problems in industrial health that had been created on the Coxwell Avenue tunnel project and other similar projects? It did not, it did nothing! It has set up a Royal commission so it could shelve the whole problem for another year or two. It took no action of any kind to improve any regulation on even an interim basis, it just threw the whole thing off to the Royal commission and said, "We will deal with this subject after the Royal commission has reported."

Mr. Speaker, the Royal commission has reported, it has made a number of valuable recommendations and most of them, I think, should be implemented. In particular it has laid stress on the urgent need for remedial action in the construction industry, and here is exactly what it says on that subject at page 39 of its report:

Finally, the commission wishes to reiterate that a modern, well enforced Construction Safety Act is vital to the safety of the hundreds of thousands of construction employees in Ontario, and the need for such legislation is so urgent that we recommend that such an Act be proclaimed at the earliest possible date.

Now, surely that language is plain enough even for this government, Mr. Speaker. When I read it I felt that here at last we had

something that would shake this government out of its complacency and galvanize it into action. Clearly I failed—even I failed—to comprehend the depths of complacency of which the government is capable. The hon. Minister of Labour is in absolutely no hurry at all. The commission said that it is an urgent situation requiring action at the earliest possible date but the hon. Minister could not possibly be hurried by that. Men are being killed and seriously injured on construction work with appalling regularity but that does not appear to bother the hon. Minister even a little bit.

I raised the matter with him in a question before the orders of the day on November 18—in connection with the death of a man called Luigi Trevisiol—and the most the hon. Minister could bring himself to say at that time was that: "... arising out of the McAndrew report we shall do our best to devise something which we hope will adequately cover the situation."

We heard nothing more from him on the subject until nine or ten days later on December 7, when he moved first reading of a bill to amend The Department of Labour Act for the purpose of setting up an Ontario Safety Council.

Hon. Mr. Robarts: We did not sit until November 22.

Mr. Bryden: If I said November 18, I meant November 28; I am sorry, Mr. Speaker.

An hon. member: Ten days difference.

Mr. Bryden: My question was on November 28 and the first reading of the bill to amend The Department of Labour Act was on December 7. I will let the mathematicians worry about whether it was nine or ten days, or how many days it was; but it was an unnecessarily great number of days, in my opinion, Mr. Speaker, especially for the small mouse that was produced on that day.

When the hon. Minister introduced or moved first reading of the bill I asked him again about construction safety, and the import of his answer was he did not intend to do anything about it at all, he was just going to pass the buck to the Ontario Safety Council. That council probably will not even come into existence for some substantial time, and we will have to wait until it has had a chance to study this highly urgent problem of safety in the construction industry. I might just say, Mr. Speaker, that the hon. Minister, in introducing the bill to amend The Department of Labour Act, certainly created the

impression in my mind that this bill would implement the heart of the Royal commission's recommendations. I would agree with him that establishment of a safety council was the heart of the commission's recommendations; but I will say now I have had an opportunity to read the bill—and I did not have an opportunity to do that until today—that it is a real phony, it does not implement the recommendation of the Royal commission at all. I will have more to say about that when the bill comes up for second reading. Certainly it does not set up a body such as was envisaged in the Royal commission report at all. Even if it had, I submit that it is no excuse for delaying action on construction safety. Certainly the commission itself did not envisage that action—with regard to a construction safety Act—should have to wait the establishment of an Ontario Safety Council. The government has simply perverted the recommendation, the very fine recommendation, that the commission made on this point and has turned the safety council into another device for stalling—even before it has been set up.

My contention, Mr. Speaker, is that if the department had been even moderately impressed by the need for modern safety regulations in the construction industry, it could have made a concerted effort in the five weeks between the presentation of the report and the opening of the Legislature to prepare legislation along the lines recommended by the commission—that is, a construction safety Act. Indeed it could have been working on such legislation even before the commission reported, because if the department was alive to its responsibility at all, surely it knew that a serious safety situation existed in this industry without having to be told that by a Royal commission.

If it had followed this course—if it had given priority as priority should have been given to the drafting of proper legislation—that legislation could have been introduced at the beginning of this session. I am certain that every member would have been prepared to give it priority so that, by now, it could be law, so that the recommendation of the Royal commission could have been carried out, that such an Act be proclaimed at the earliest possible date. It could have been proclaimed by now, but, far from this being the case, the hon. Minister's answer of November 28

indicated that on that date he was still in the process of devising something that he hoped might be adequate. And his statement on December 7 indicated that he had given up even trying to devise anything; he was simply passing the buck to the safety council.

In the meantime, Mr. Speaker—and I am now using the terms used in the Royal commission report—

The safety of hundreds of thousands of construction employees in Ontario remains in jeopardy.

I submit to you, sir, that we have reached a sad state of affairs in the administration of this province when we have a government which is so indolent that it apparently does not even care about human life.

I would now like to refer in somewhat greater detail—

Hon. Mr. Robarts: May I interrupt for a moment? May I ask my hon. friend if he would adjourn the debate? He seems to have reached a natural break.

What I propose to do after we re-assemble is to revert to motions to cover the sitting of the House and to call one more second reading and come back into the Throne debate. So if my hon. friend would adjourn the debate now, Mr. Speaker.

Mr. Bryden moves the adjournment of the debate.

Motion agreed to.

Mr. Speaker: It being 6 o'clock, I do now leave the chair and will resume at 8 p.m.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before we leave, may I ask the hon. Prime Minister what second reading he intends to call?

Hon. J. P. Robarts (Prime Minister): The second reading of The Police Act. It is Order No. 5, on the order paper.

Mr. Wintermeyer: Is this The Police Commission Act?

Hon. Mr. Robarts: Second reading, Bill No. 24, An Act to amend The Police Act.

It being 6 o'clock, p.m., the House took recess.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, December 12, 1961
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, DECEMBER 12, 1961

The House resumed at 8 o'clock, p.m.

Mr. Speaker: Motions.

Hon. J. P. Roberts (Prime Minister) moves that this House meet at 2:00 o'clock p.m. tomorrow, Wednesday, and also on Thursday next, December 14, and that rule two be suspended so far as it applies to this motion.

Motion agreed to.

THE POLICE ACT, 1961-62

Hon. A. K. Roberts (Attorney-General) moves second reading of Bill No. 24, An Act to amend The Police Act, 1961-62.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, in moving this bill, I would point out that I did, by way of information, make a statement on first reading. The bill is in my opinion a very important one. The hon. Prime Minister (Mr. Roberts) referred to it yesterday in his remarks. It provides for the establishment of an Ontario Police Commission which will have the powers I mentioned on first reading, including powers of direction, overseeing and leading of the Ontario Provincial Police force which will be directly under the Commissioner of Ontario Provincial Police, Commissioner Clarke, a man with the highest integrity and sincerity of purpose, I am convinced.

The Police Act as it now stands—I am referring now not to the amendment, the amending Act, but the Act as it now stands—makes provision for police commissions at the local level. I might point out by way of example, section 7 of the Act under the heading "Part 2—Municipal Police Force," requires every city to have a police commission and provides the procedure whereby any county or town or any other municipality may constitute such a board. The statute requires the board, to be composed of the head of the council, a judge for the county or district court and such person as the Lieutenant-Governor in Council designates.

There is also presently provided by The Police Act, means for obtaining joint boards for two or more municipalities. I may say that for the most part where we do have local police commissions, they are composed of a judge, a magistrate and the head of council. It will be noted, however, that it is not necessary to have a magistrate and there have been some instances, particularly in the last few years, where the third member appointed has not been a magistrate.

I might say here too that what I might term the Silk report has considerable interesting information and suggestions in connection with this particular work so far as it applies to both magistrates and judges.

It is my view that the Ontario Police Commission, if it lives up to the expectations I have for it—and I am confident that it will exceed them—will be a very fine senior body which may be of very considerable help, in accordance with the terms of the bill now before the House, to many local boards and one of the ways in which it can help is to assist in getting more uniformity at the local level in connection with a number of the problems of enforcement.

Mr. Speaker, I expect this new commission will attack with vigour the many problems in relation to law and order in this ever-growing and expanding province. It will have the power to inaugurate beneficial changes and improvements resulting from its research and its constant day-to-day contacts with the problems involved.

One at least of these three proposed members will be a full-time member—and it may be that two will be full-time members. Certainly this commission is going to have a lot of work and we should give it every opportunity to function to the best of its ability in an impartial, detached, non-partisan atmosphere.

It will be particularly noted that the bill provides, authorizes and requires the Ontario Police Commission to advise the Legislature of the problems it has faced and what it has done during the preceding year. The mechanics of presenting the report follow the

recommendation which was made in the 1959 report on government agencies, commissions and so forth and reiterated in the interim report of the select committee dealing with these matters presented at the last sitting of the Legislature; which select committee is still in being.

I would point out that under section 48 of The Police Act as amended by section 6 of the bill before the House, this new commission is given the widest powers to make inquiry into law enforcement. In order that matters between sessions may be attended to without delay where requiring action, the commission would report on any such inquiry as provided in the bill.

It could, of course, report and comment on the same matter in its report to the Legislature. However, that report would come later when the Legislature is in session.

These provisions are all designed to give the board an independence of action and of reporting commensurate with the importance which is attached to the creation and functioning of such a commission.

I am confident, Mr. Speaker, that the personnel of this board will be of such strength and experience as to give to it a very extensive insight into the varied and complex problems with which it will be dealing. As I see the proposed commission, it will have vision, it will play an important part in improving public relations of our police, improving the education and training of our police, and as time goes on, it will grow in the public estimation and will have an ever-increasing good influence upon the police and their work, and upon law enforcement in the province. It will also serve as an excellent body for co-operation and for confidential interchange of views and information with comparable, or other high-level, police and crime investigatory bodies in other jurisdictions.

I am hopeful that there will be unanimous agreement upon the principle of the bill.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, in rising to take part in this debate I would ask for some indulgence in view of the fact that, until we adjourned at 6:00 o'clock, I did not realize that this particular and very important bill would come before us tonight.

Now I am not making any complaint in any respect, except that I would ask your indulgence in conjunction with the presentation that I make tonight.

Mr. Speaker, at the outset I would say that there is no question in the world that the bill

does embody certain very worthwhile features. But I would ask the very fundamental question: why a police commission at this particular juncture in the history of Ontario? I think that it is quite apparent to all that, over the period of the last seven or eight months—during the prolonged discussions about the extent of organized crime in Ontario—there have been many suggestions about the solution of this problem; one of them has been this very police commission. My recollection of the historical development of the police commission concept is that it was offered to the public of Ontario—particularly by the hon. Attorney-General (Mr. Roberts)—as an answer to a Royal commission. My recollection is that the primary significance and distinctiveness about the bill was detailed and underscored by the hon. Attorney-General when he first introduced it and first started to talk about it.

Hon. Mr. Roberts: Before the hon. leader of the Opposition made his address.

Mr. Wintermeyer: Oh, that is right; no question about that. But during that period of time, Mr. Speaker, the hon. Attorney-General laid particular emphasis on section 6 of the bill—the investigation aspect and the investigation facilities, if you will, of the bill.

I would point out to you, Mr. Speaker, that section 6, and particularly one of the subsections thereof, provides that the Ontario police commission may investigate, inquire into and report to the Attorney-General upon any matter relating to the maintenance of law and order in the province of Ontario.

Now, certainly that is very wide and all-inclusive authorization. It is the type of authorization that I personally had expected would be included in the Royal commission investigation. But I say to you, Mr. Speaker, that if this bill is founded on the hypothetical presumption that it is primarily an investigation body, then I suggest that it is in conflict with the Royal commission that has just been appointed—a commission which I presume, and certainly hope, is not designed or intended to be a witch hunt of any sort, is not designed or intended to be determinative simply of the comments that I have made in respect to organized crime or any part thereof. That commission should and must function as an authoritative body to investigate, in its widest possible ramifications, all aspects of crime, and particularly the organization of crime, in the province of Ontario.

Now, if my presumption be correct—that this is the authority we in this government

have given to the Royal commission—then I say that this particular bill is presumptive. Surely it is in conflict with the intent of the Royal commission, and I say that we are premature in bringing forth this type of legislation when we have a Royal commission designed and intended to study this problem of organized crime, and supposedly make worthwhile recommendations to this very body at a later date.

Now, the recommendations that the Royal commission make may be entirely different from what is suggested here, and I can see no need for hurrying this particular piece of legislation. I am inclined to think that there is great danger that this legislation, designed and intended to be implemented some time ago, as the hon. Attorney-General has said, is now unnecessary. At this particular juncture in the historical development of the province, it is unnecessary.

On the other hand, if this bill is founded on the presumption that it is primarily an administrative facility instead of an investigatory body, then I would ask, what need is there to substitute for the worthwhile work that the hon. Attorney-General has said the commissioner has done? And I believe him. Three men instead of one—is this a good administrative principle? I am doubtful of it.

As an administrative problem, Mr. Speaker, I am not speaking of investigation, but if the bill founds itself in administrative perfection, then I question the advisability of substituting the administrative wisdom or facility of three men for one man. I simply ask this: Have we by virtue of this bill denuded the commissioner of police of all his real authority? Are we substituting his knowledge and his perception for three unknown men?

This brings me to my next point. At the present time we do not know the personnel of the new body or commission. I think it is imperative that we do. I do not see how we can intelligently discuss this without knowing the personnel of the commission.

Mr. Speaker, I would remind you that the New York State Crime Commission, as it is normally called—its technical name is somewhat different, but you will identify it immediately by virtue of the abbreviated reference—is a wholly independent body, independent of the law enforcement agencies, and I question the advisability of setting up a commission of this sort under the jurisdiction of the chief law enforcement agency of the province. If the primary purpose of this legislation is to investigate independently and on a non-political basis, then—

Hon. J. P. Robarts (Prime Minister): Well, the primary purpose is not that. The primary purpose of this is to improve and keep the police of this province on top of all their problems.

Mr. Wintermeyer: Mr. Speaker, a few days ago that was not the explanation that was made.

Hon. Mr. Robarts: I just gave it. The hon. leader of the Opposition was not listening.

Mr. Wintermeyer: Mr. Speaker, at this juncture let me draw to your attention that this is the inconsistent position in which the government finds itself. Some days, some weeks ago, a different explanation for the motivation behind this legislation was given. And I say today, tonight, a Royal commission having been instituted—a Royal commission which I suggest the hon. Prime Minister of this province will have to clarify tonight once and for all—if that commission has the broad powers that I think it was intended to have, then I commend him for it; I certainly do. And I very much commend him for the appointment of Mr. Justice Roach, a man of unquestioned ability and integrity. I hope he will not curtail the activity of that Royal commission by appointing—as a result of this piece of legislation—another investigatory body that will be duplicating in many respects what I believe to be the authority of that commission.

Hon. G. C. Wardrope (Minister of Mines): A permanent body. What is the hon. leader of the Opposition talking about?

Mr. Wintermeyer: Mr. Speaker, the hon. Minister of Mines suggests that this is a permanent body. Certainly it is, but I suggest to you, Mr. Speaker—

Hon. Mr. Wardrope: Well, thanks for getting the right Ministry tonight.

Mr. D. C. MacDonald (York South): Let us debate instead of chit-chatting.

Mr. Wintermeyer: Now, Mr. Speaker, let me demonstrate to you the inconsistency of the hon. Minister. On a number of occasions he berated me as a witch hunter, and it was said that there was no need for a Royal commission—this was just political manoeuvring on my part. Now he is in the position of supporting a Royal commission. Then I say he must re-examine himself—

Interjections by hon. members.

Mr. Speaker: Order.

Mr. Wintermeyer: Some time ago, Mr. Speaker, we had—I believe in this very session, surely it was in this session—a report of the hon. Attorney-General's committee on the enforcement of law relating to gambling; a report by two eminent gentlemen, the report commonly known as the Morton Report. Let me read for your consideration, Mr. Speaker, the conclusions of the Morton Report. They are very brief, two pages is all that the conclusion section provides. Mr. Speaker, the conclusions are as follows:

From an examination of the problems reported above, the committee is satisfied that there is a grave danger, if the present illegal gambling operation is permitted to continue, that either domestic or foreign criminal elements will prosper to such an extent as to undermine the very nature of our society. With this real and imminent danger in mind the committee presents this report in all modesty as a basis for an attack upon these grave problems.

The committee has earlier propounded the theory that the criminal law must be realistic if it is to be enforceable. We have attempted in the short space of this report to show how such realism might be achieved in terms both of tolerance and of enforcement.

To quote once again from the report of the New Zealand Royal commission: We are only too conscious in respect of all such topics as are now under discussion of the possibility that our conclusions may prove fallacious. The whole history of gaming has demonstrated that the best considered conclusions either prove erroneous, or prove productive of unexpected and detrimental consequences.

Discretion dictates, therefore, that anything we propose or recommend in this relation should be regarded as tentative and that some authority should be created, charged with the responsibility of watching results so that not only variations and improvements can be given effect, but radical alterations may be made where the indications are that a radical change is necessary.

The committee concludes by recommending the creation of two such new authorities:

CONTROL OF LEGAL GAMBLING

In view of the earlier recommendations as to the creation of a licensing system for legal gambling, the committee recommends that, if those earlier recommendations be accepted, a provincial gambling control board be set up. Such board would be

charged with the supervision and control of all legal gambling within the province.

CONTROL OF ILLEGAL GAMBLING

Whether or not any of the other recommendations of the committee be accepted, the committee strongly recommends the creation of a new authority charged with general supervision of the control of crime. In view of the international character of criminal activities in the North American continent, it appears to the committee that such authority should be national in character and form part of the machinery of the Dominion government.

It is the considered view of the committee that problems of law enforcement and crime demand not the temporary scrutiny of an *ad hoc* Royal commission but perpetual scrutiny by an independent body of a permanent character.

The committee considers that the constitution of such a body should be political or "bi-partisan" and that its main function—

Hon. Mr. Roberts: Non-political.

Mr. Wintermeyer: Excuse me, Mr. Speaker, I am subject to correction here. My copy says "political—"

Hon. Mr. Roberts: Non-political.

Mr. Wintermeyer: It does not say that at all, really; now I am subject to correction, maybe it means—

Hon. Mr. Roberts: What page is the hon. leader of the Opposition on?

Mr. Wintermeyer: On page 111. I think it is "political" or "bi-partisan."

Hon. Mr. Roberts: I think it is a different word altogether.

Mr. MacDonald: Oh, no, it is "political, 'bi-partisan', representing all groups."

An hon. member: If it were non-political how could it represent all groups?

Mr. Wintermeyer: Page 111.

Mr. R. M. Whicher (Bruce): Do not tell me the hon. member is wrong again?

Hon. Mr. Roberts: I have not got that page in my copy. I think this is the original, and that you are reading from a mimeograph copy.

Mr. Wintermeyer: Well, Mr. Speaker, I am of course subject to correction, but the copy I have certainly reads as follows, Mr. Speaker:

The committee considers that the constitution of such a body should be deliberately political or "bi-partisan".

It would seem, therefore, that the intent of this recommendation would be that the body should be political, in that it had representation of a bi-partisan nature—

Mr. A. J. Reaume (Essex North): Was the hon. Attorney-General wrong again?

Mr. Whicher: He is always wrong.

Mr. Wintermeyer: And that its main function would be to observe and, if necessary, investigate the process of law enforcement in Canada. As in the case of the temporary commission of investigation in New York State—and this is the committee that I made reference to earlier—it should have power neither of administrative control nor prosecution.

An hon. member: Hear, hear.

Hon. Mr. Roberts: That is the federal body.

Mr. Wintermeyer: I know, but just a minute:

Rather, it should operate by way of inquiry and report; leaving it to those at present charged with the responsibility for legislation and law enforcement to withstand such impartial scrutiny.

Mr. Speaker, the point I make is simply this: That here is the report of the Attorney-General's committee; it is not on all fours with this bill at all. That report suggests, if I may paraphrase, that first, if you do have a clearing house—and I think there is real need for a clearing house in relationship to criminal information—

Hon. Mr. Roberts: Would he go so far as to agree at the federal level?

Mr. Wintermeyer: At the federal level; the clearing house, I think, should be at the federal level. By clearing house, Mr. Speaker, I simply mean a central agency where all data relating to criminal activities is filed. That, I think, should be at the national level. Note, however, that this report does not substantiate this type of legislation at all. I suggest therefore, that in view of the fact that the hon. Attorney-General's committee does not support this

legislation; in view of the fact that we have a Royal commission now, which will, in all probability, make recommendations which may or may not support this type of legislation; in view of the fact that the personnel of this new commission is unknown to us tonight, and in view of the fact that the experiences in New York State dictate that an investigation branch, such as is set up here, should be independent of the law enforcement agencies, I suggest that this legislation is premature and inadvisable for general acceptance by this legislative body tonight.

Mr. MacDonald: Well, Mr. Speaker, I want to say at the outset, by way of a context in which I am going to make my comments, that this is so complex—and I would add confusing—a situation at the moment, that I think it is rather difficult to come to final conclusions.

I find that as I was listening to both the hon. Attorney-General and then the hon. leader of the Opposition, I was agreeing with them at one moment and disagreeing with them at other times. For example, let me take one point which I think is rather a major point of consideration that has been raised by the hon. leader of the Opposition.

He feels that the bringing in of this bill to establish an Ontario police commission at the present time is presuming to encroach upon the job that has now been given to the Royal commission. On this, Mr. Speaker, I want to say emphatically I do not agree. I think it would have been suicide as far as this body is concerned—in terms of future effectiveness—if it were handed the job at the very outset of cleaning up the mess that we have got at the moment, because this—

Mr. Wintermeyer: Oh well, I did not—

Mr. MacDonald: Well, do not let me get into an argument with the hon. leader of the Opposition.

The job that the Royal commission has at the moment is partly a job of looking into the full ramifications of organized crime; but it is partly a job of looking into this government, and the compromising position that it has got into in organized crime. Now I submit to you, Mr. Speaker, it would be impossible for a body that has got to be a continuing body to have to start out investigating the government of the province. Further, I submit that, by the time it has got into all its investigations it may find it has got to investigate other law enforcement agencies across the province. The result

would be the kind of relationship that would make it impossible for it to be a continuing effective body. Therefore, basically, I disagree with the hon. leader of the Opposition on this point.

Mr. Wintermeyer: On a point of order, may I make this point?

Mr. MacDonald: No, I am making my speech now.

Mr. Wintermeyer: May I make this point? I did not make that point at all. I never suggested or inferred in any way that this legislation would substitute for the Royal commission.

Mr. MacDonald: All I can say, Mr. Speaker, is that obviously the speech of the hon. leader of the Opposition was as confusing as that of the hon. Attorney-General; we also have to sort out what he was talking about.

An hon. member: You are all mixed up.

Mr. Speaker: Order.

Mr. MacDonald: Mr. Speaker, I hope to deal with this in a serious manner and I am certain as I listened to the hon. leader of the Opposition that I was not interpreting him wrongly. The hon. leader of the Opposition feels that we should not have this bill now because the Royal commission has got a job to do. What I am saying is that we should have this bill now, assuming we have the right kind of a body, because there are two different jobs to do. The Royal commission's job is to clean up the mess at the moment; the police commission's job is to do continuing work.

An hon. member: That is right.

Mr. MacDonald: And that is not what the hon. leader of the Opposition said. I wish the hon. member would not try to confuse my speech so that it will be as bad as his.

An hon. member: It could not be that bad.

Mr. MacDonald: Having emphasized, Mr. Speaker, why I believe the Royal commission has got a certain job to do and it is the kind of job that the police commission cannot do, let me now proceed to examine the principle of the bill underlying the appointment of this body.

I agree with the principle. Now, if the hon. Attorney-General wants unanimity, I can perhaps meet him to a certain degree here. I agree with the principle of establishing this body. I will add immediately—and

explain why, in a moment—that I have some serious misgivings as to the implementation of this principle.

The principle is that we need some over-seeing body in the province of Ontario to co-ordinate the law enforcement agencies at the provincial level with the various local police forces and presumably to co-operate with the body at Ottawa. This is a job which is so tedious and so exhausting in its demands that it is unfair to expect that The Department of the Attorney-General can do this job—and if you have got an Attorney-General like our present hon. Attorney-General who cannot see facts when they are right in front of his face—there is double need for this kind of a commission.

I am not surprised that even he brought in the bill before the hon. leader of the Opposition spelled out the ramifications of organized crime in this province; it was very obvious that we had to have some sort of a body to assume responsibility for the enforcement of law in this province because the hon. Attorney-General has failed completely.

However, Mr. Speaker, I will go one step beyond that. Even if our present hon. Attorney-General was out of his position, as I said he should be after his whole policy has been reversed in the last 24 hours, I still submit as a theoretical proposition—

Hon. Mr. Roberts: Wait. The hon. member can just bide his time. He will have plenty of time.

Mr. MacDonald: I still submit as a theoretical proposition—

Hon. Mr. Roberts: It may be his last, too.

Mr. MacDonald: Mr. Speaker—

Mr. K. Bryden (Woodbine): When is the hon. Attorney-General going to resign?

Hon. Mr. Roberts: After the people defeat me.

Interjections by hon. members.

Mr. Speaker: Order, order. I would point out to hon. members that we are getting along very nicely. Now, I can guarantee the hon. members that if they keep quiet while other hon. members are speaking, that every hon. member who has something to say will have his opportunity later.

Mr. MacDonald: I am glad this stormy scene looked peaceful from your vantage point, Mr. Speaker.

What I was going to say was that even as a theoretical proposition clearly there is a need for this police commission in the long run because of the size of the job that now faces law enforcement agencies and the government in keeping up with the activities of organized crime, and I think that the officers in The Department of the Attorney-General who have many other responsibilities, including the hon. Attorney-General himself, should be relieved of this and this responsibility be placed with the body which is envisaged in this Act. That is the reason why I support the principle of it.

Let me explain why I have some serious misgivings as to the implementation of the principle as enunciated by the hon. Attorney-General and—as we tried, with some difficulty to find out—exactly what this body is going to be, who its personnel are, and everything else. On this score I agree with the hon. leader of the Opposition that it seems to me that if we are going to assess the worth and the effectiveness of this body we should know who the personnel are.

Hon. Mr. Roberts: The hon. member is putting the cart before the horse. You usually establish the authority before you announce the personnel.

Mr. MacDonald: Now, how are you going to get an effective body, Mr. Speaker? I think there are two or three points. One, I think, as is the case with the temporary committee of investigation in New York State, it must be an independent body. And I am not certain from my understanding of the body envisaged in this bill that it is going to be independent.

Hon. Mr. Roberts: Did the hon. member not follow me when I was speaking? I thought I made it abundantly clear that that is exactly what it is going to be.

Mr. Bryden: The bill does not provide for that.

Mr. MacDonald: The great difficulty with the hon. Attorney-General is that he has been living in a world which has been changing every 24 hours for the last week. I am not certain that he knows exactly what he was thinking a week ago because of the impact of events, or what he is thinking now. The hon. leader of the Opposition referred to what would motivate him a week ago. Well, obviously he was in a different world a week ago. He was on top of the world and he was running his own show; now he is being slapped down by a majority of the Cabinet.

Hon. Mr. Roberts: That is what you think.

Mr. MacDonald: The hon. Attorney-General does not need to argue with me; the facts are very clear that his policy of the last year has been completely overruled and the government in effect has voted no confidence in him. So I would think that silence at the moment might be most becoming for him.

The first point I wanted to make here, Mr. Speaker, is that I think this body should be independent, and I am not persuaded as it is envisaged in this Act that it is going to be independent.

Now, secondly, despite the fact that the Morton report suggests that the body appointed to do this continuing job should be a political and a bi-partisan body, quite frankly, Mr. Speaker, I find it impossible to conceive of this. I do not know how you are going to—

Interjection by an hon. member.

Mr. MacDonald: Look, the hon. Attorney-General has made his speech. He is not at the Tory convention now—babbling all over the place. Just let him rest quietly.

Hon. Mr. Roberts: The hon. member is babbling all over the place right here in this House.

Mr. MacDonald: I am not certain, Mr. Speaker—in fact, I am convinced—that you cannot establish a body that is going to do what is envisaged in this Act as a police commission if you make it a political body. I can think of nothing that would be more of an open invitation for it being a political dog fight all the time—

Hon. Mr. Roberts: Will my hon. friend allow me to say right now that there is not the slightest thought of making it a political body in the sense that he is using it.

An hon. member: It is right under the hon. Attorney-General. It has to report to the hon. Attorney-General.

Mr. Whicher: He has a good Tory picked out already.

Mr. MacDonald: Before these interruptions, Mr. Speaker, I was discussing the Morton report suggestion, which the hon. leader of the Opposition had raised, and indicated that its recommendation was not in agreement with this bill. I was expressing my view, which is my right, that the Morton report in this instance is not acceptable. I do not see how you can have a continuing body doing this

kind of a job if it is going to be a political body. I think that would be an open invitation to the police commission being distracted from what it is supposed to be doing—getting out the facts and co-ordinating things—it would be part of the whole political battle that is going on all the while.

In fact, to say that it is going to be independent and is going to be political, I submit to you, is a contradiction. Now, that is my second point as far as the implementation of this bill is concerned.

I do not think it should be a political body, a bi-partisan body, or anything of that nature. I think it has got to be a body which is going to be independent and certainly not in any sense under the thumb of the hon. Attorney-General. I think it should be responsible to this Legislature. I agree, as is pointed out in the instance of the New York State commission, its independence will be carried to the point that it reports on a situation, but it is not responsible for laying charges and seeking convictions; all it does is dig out the facts in a continuing way.

As a matter of fact, I think the description of the body that I would like to see established is pretty accurately summed up in one phrase in the Morton report at the bottom of page ten when it said, "a perpetual scrutiny by an independent body of a permanent character". I think this is what we need.

The Royal commission is going to do the present job, to clean up the present mess. This will be a permanent body which will maintain a perpetual scrutiny.

Now, how is it going to do this rather difficult task, Mr. Speaker? Again we are not supplied with all of the details, and perhaps it is unfair to demand that all the details should be in the Act, but just let me make this point emphatically, that if it is going to do the kind of job that is envisaged in section 6 of the bill:

The Ontario Police Commission may investigate, inquire and report to the Attorney-General upon any matter relating to the maintenance of law and order in Ontario.

—and if the experience of the temporary committee of investigation in New York State is any guide, it is going to need the most elaborate kind of staff or co-operation with some law enforcement agency—in terms of having the personnel to do undercover work, so that they can find out exactly how organized crime is operating and to what extent the law at the moment is being effective in coping with it.

I think perhaps I have established the two or three principles that I think are necessary in setting up an effective body, Mr. Speaker, but in case they have become lost in the give-and-take here, I would just recapitulate that it must be independent and independent means that it cannot be a partisan body—that it must have the kind of staff to do the investigatory work—in fact that it will be a body independent to establish a perpetual scrutiny continuing after the Royal commission has done its job.

However, Mr. Speaker, there is one other aspect of this that I think this House has to take a solid look at some time, that is that it is impossible to establish effective law enforcement if the law is placed on the books with no intention of enforcing it.

Hon. Mr. Roberts: Sometimes it is not even possible to enforce it.

Mr. MacDonald: All right; and if it is impossible to enforce it, I submit it should not be on the books. There is nothing that brings the law into disrepute more quickly than to have a law on the books and yet the police and everybody else are ignoring it.

I just want to underline this with one particular reference at the present time. I was interested in reading about syndicated gambling in New York State, in the report of the New York State Commission on investigation, where they have this sentence: "The heart of illegal gambling is bookmaking".

Well, as I was listening to the news at 6 o'clock tonight I find that out in the good city of my hon. colleague here in Oshawa (Mr. Thomas) they have still another of these bookmaking centres where they reported that they have a cool \$60,000 a day betting. This even has Max Bluestein's social club, that was running legally under a social charter from this government, beaten—where some \$37,000 a day was collected.

Hon. Mr. Roberts: These are matters which should be referred to the Royal commission, Mr. Speaker. I do not mind listening to the book the hon. member is reading, but I do not think that there should be reference made to these matters—

Mr. MacDonald: I am not dealing with what the Royal commission is looking into, I am dealing with the responsibility that rests right here with this body which makes the law. The fact of the matter is, as everybody knows, that enforcement on the illegal aspect of bookmaking is winked at. Any amateur

can go out today, in scores of places across the city of Toronto, and place a bet. As somebody points out, it is passing strange that the policeman who is on the beat and going back and forth there, is not aware of what is going on in this particular establishment.

Now the reason why I am raising this, Mr. Speaker, is that I think sooner or later this is going to have to come right back to this Legislature, because we have a dangerous attitude toward it which stems right from the Cabinet down.

Hon. Mr. Wardrope: What about the hon. member himself?

Mr. MacDonald: Just a minute. Perhaps I should recapitulate to remind the hon. members of the House just what the attitude of some hon. members of the Cabinet is towards this issue. In *Hansard*, page 1060 of March 13, 1957, when the former hon. Minister of Labour (Mr. Daley) had his estimates before the House and I raised a question as to whether it was an appropriate procedure for the athletic commissioner, who came under his jurisdiction, to be licensing a certain boxing promoter in this city, to be looking after amateur boxing down at the Palace Pier. I questioned the propriety of this because of the fact that this man was a convicted bookmaker. After I had questioned it, the hon. Minister of Labour in his inimitable fashion entered the debate. This is what he said:

According to the hon. member this man did not do anything wrong in connection with the boxing game, but he did have a book on horseracing. I do not know whether one should throw a man out of the boxing game, especially an experienced man, because he makes a book on horses. I think where he was wrong was in getting caught.

Hon. Mr. Wardrope: Did the hon. member ever bet on an election himself?

Mr. MacDonald: Now, Mr. Speaker, this has been the attitude of the powers that be towards bookmaking. The only difference between the former hon. Minister of Labour and the government as a whole is that the former hon. Minister of Labour was perhaps indiscreet enough to frankly state it.

However, this is not where it ends. If hon. members look, for example, in the report of the New York Investigation Commission into gambling they point out that our means of communication—and by this they mean news-

papers—editorialize against the evils of gambling, yet at the same time in their sports pages they provide just the information the gamblers seek.

With all this issue being such a live one in the last few months, I have been rather intrigued as I have driven around to all parts of this province to find that you cannot go into a single part of the province, with the smallest radio station, in the most rural area but every half hour and every hour the results from the racetrack here at the Woodbine or at the New Woodbine will be given.

Now I am a little puzzled as to whether the farmers who are desperately trying to get their crops in are interested in this. But when Mr. Mackey, the chief of police, informs us that there is not a village or town in this nation in which there are not bookmakers operating, I think we might as well face the facts. What is the point of playing the hypocrite and saying that we are opposed to bookmaking, when the newspapers are publishing all of the information without which the bookmakers could not operate?

At the moment, Mr. Speaker, all I am saying is that here is a problem that we have to stop playing the hypocrite on. Certainly this government has to quit playing the hypocrite on it, when we have Cabinet Ministers making that kind of statement. The reason I am raising this whole issue at the moment, Mr. Speaker, is that if we are going to set up a police commission which is going to have a more effective enforcement of law across the province, co-ordinating it with the local police force, the O.P.P. and the federal, we have to take a look at the laws and make certain that we do not put laws on the books which we have no intention of enforcing; alternatively if we do put them on the books, we must enforce them.

We must not have the fatuous proposition of policemen walking up and down this street—five, ten times a day—going right past what any amateur can find out, any time he wants, is a bookmaking establishment. I just do not believe that the policeman does not know it is there.

I am not blaming the policeman. Why should I blame the policeman, when the former hon. Minister of Labour frankly said there is nothing wrong with bookmaking except getting caught. This is the thing that I am asking, Mr. Speaker—that this House has to take a look at if we are really serious about getting law enforcement. We cannot have effective law enforcement if there is not the will to enforce it. At the present time

there simply is not the will to enforce what in the next moment we will be proclaiming to the world as illegal.

In summary, Mr. Speaker, I just want, lest there be any misunderstanding, to say that I agree with the general principle establishing a police commission. I can state on behalf of our group that we agree with it. We think it is a long-term job, picking up after the Royal commission has cleaned up the present mess.

But I have serious doubts with regard to the machinery that the government is now proposing. I do not know exactly what one does in this situation, Mr. Speaker. I presume one votes for the principle, because we think it is a good thing, and then later if we do not get satisfaction on the implementation of the principle, in the committee or in third reading, at that point we may vote against it. But because we are in favour of the principle, we will vote for it at this stage.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, I never cease to be amazed by the garrulous geyser from York South to my left. Did hon. members notice him when he got up on his feet and said that if the hon. Attorney-General (Mr. Roberts) wants a demonstration of unanimity—his hands went up as if he were almost calling upon some higher power to assist in this unanimity—and he leaned a bit towards the hon. Attorney-General and he said to him in no uncertain terms: "We will give you the unanimity, sir." From there on not only did he assail almost every section of this bill, but he assailed it with a concomitant of a considerable amount of personal abuse of the hon. Attorney-General.

He coupled both. He coupled an assault upon, as I say, almost every section of the bill, with a personal attack upon the hon. Attorney-General.

Mr. MacDonald: Is the hon. member his friend now? He was not six months ago.

Mr. Sopha: Yes, I have always been that, because I do not, Mr. Speaker, like the hon. member for York South, use this floor as a vehicle for personal attacks upon hon. members opposite because I consider them to be honourable gentlemen.

Mr. Bryden: The hon. member is bucking to be the Attorney-General when the present one resigns.

Hon. J. Yaremko (Provincial Secretary): I must have been reading the wrong newspapers during the last six months.

Mr. Sopha: Let any man point to a line in *Hansard* in the three years that I have been here and show where I have used this forum as a vehicle for a personal attack on any other hon. member. Let them point to it! Until an hon. member can point to it, let them keep silence.

I might say to you, Mr. Speaker, that so far as the hon. Minister of Mines (Mr. Ward-rope) is concerned, would you say to him, Mr. Speaker, when I am speaking to the organ grinders, the monkeys should keep silence.

Mr. Speaker: Order! I would ask the members to keep order. Members should try to stick to the principles of the bill. I would suggest that if the member has some remarks with regard to the principles of the bill that he now resume.

Mr. Sopha: Mr. Speaker, I would be delighted to stick to the principles of this bill, if this bill had some principles that were clearly discernible.

The hon. member for York South (Mr. MacDonald) assailed the hon. leader of the Opposition (Mr. Wintermeyer) in trying to put words in his mouth—which is his customary wont—in saying that the hon. leader of the Opposition had said, if I understood it correctly, that this bill—that is, this police commission—would be in direct conflict with the Royal commission that at long last has finally been appointed as a result of our insistent demands.

Part of the resentment of the hon. member for York South, let me say, Mr. Speaker, is that the Liberal Party in this Opposition has demonstrated such effectiveness in bringing this about that he is now crying sour grapes. I could go on to say the hon. member can hardly sleep at night when he sees some other politician with his name in the headlines.

Hon. members: Hear! Hear!

Mr. Sopha: Let me point to two phrases, and I point to the terms of the Royal commission, item three thereof:

The Royal commission to inquire into and report upon the extent of crime in Ontario and the sufficiency of the law enforcement agencies to deal with it.

I do not have *Hansard*, I am reading from a newspaper—and so as to demonstrate no favouritism to the hon. gentlemen in the press gallery I will not say what newspaper I am reading from—but this is what it says:

The extent of crime in Ontario and the sufficiency of the law enforcement agencies

to deal with it. Section 6 of the bill, subsection 2, para. 1A: The Ontario Police Commission may investigate and inquire into and report to the Attorney-General upon any matter relating to the maintenance of law and order in Ontario.

Now as to the generalities of those terms, Mr. Speaker, and all hon. members would agree with me, I think, both those paragraphs are exceedingly wide and general in their terms. So far as the characteristic generality is concerned, Mr. Speaker, I defy and challenge any hon. member—for that matter any other person—to point to any distinction or difference between the subject matter that may be treated under either one of them.

What I fear, Mr. Speaker—and the hon. leader of the Opposition did not say this—but as a private member what I fear is that during the progress of this Royal commission—and who is to say that it will not last a year or two years, so important to the life of this province is the object of its search—that at some time during its progress the commissioner himself might feel that he is in conflict with the terms of this statute. Instead of the commission going on, someone might point to this statute and say that is a matter that ought to be left to the Ontario Police Commission.

I say, Mr. Speaker, that would be wrong! The hon. members of the government—fortunately they have not said it in the last couple of days, but I am always thinking of the predecessor hon. Prime Minister, he was such an imposing man when imposed himself upon this House—the hon. member used to say that it was *sub judice* once it was in the hands of a Royal commission. I recall the hon. member saying that, and I am going to develop this point in a moment.

When the Sarnia land transaction went to a Royal commission, the hon. leader of the Opposition and the hon. member for York South got up on their feet and wanted to say something. He said it was *sub judice*. I say, Mr. Speaker, that having appointed a notable judge—a man distinguished in the field of law, a man who has given many years of valuable service to the bulwark of the judiciary in the administration of justice and the maintenance of law and order in this province—that is it not a bit of an insult to him to pass a statute in face of those wide terms of reference and say very much the same thing.

What the hon. leader of the Opposition did say—and perhaps it might bear repetition, Mr. Speaker, so that all hon. members in this

House will understand it—and there are some that have more difficulty in comprehension than others—was that the commission should investigate the extent of crime in Ontario and the sufficiency of the law enforcement agencies to deal with it. We in this party wonder, having stipulated that power in the terms of reference, why it was necessary in any account to stipulate one and two.

We are not so naïve as to say we do not know why the government stipulated terms one and two. We know!

Politics is politics, and never the twain shall meet.

It may be that this vehicle of an Ontario Police Commission—replacing as it does in the administrative field the commissioner of the Ontario Provincial Police—I do not think I go too far in saying that this bill demonstrates a considerable lack of confidence in the commissioner of the Ontario Provincial Police because he is demoted of his powers, his powers are taken away entirely.

I notice the hon. Minister of Mines (Mr. Wardrope) is now trying to act like one of those monkeys. Pretty soon he will be swinging from bars.

Mr. Speaker, I am perfectly serious in my remarks. I intend to be serious, and if it takes me until the House adjourns, I intend to say what I have to say about it.

It may very well be—and I repeat—the Royal commission that is appointed would not recommend this type of vehicle, and that leads me, naturally, into the next point I wish to make.

One of the bastions, one of the foundations upon which this government has always operated—

Hon. Mr. Wardrope: What was that, bastion?

Mr. Sopha: —on which it has always founded its principles is the autonomy of the municipalities. How many times have we heard in this Legislature words which were calculated to give the impression that we have great faith in the municipalities, that we believe in local government and we do not want to interfere in the local affairs of people? We have heard that time and time again. Now what evidence is there, what evidence is there in view of section—subsection one of section 6, sir—I will read the whole subsection, if I may—

An hon. member: Oh, no! We will take it as read.

Mr. Sopha: Now, listen, sir! Mr. Speaker, your honour, I am being perfectly serious. I am being perfectly serious and if during the by-elections, sir, I happen to go on the hustings I will be talking to the people who are going to vote in those by-elections. I will not hesitate to say, sir, that on this day and this night I stood in this Legislature speaking on a very serious subject for the future of this province and certain hon. Ministers of the Crown took it as a laughing matter.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Sopha: I resent the foolishness that is exhibited on that side of the House. You would hardly recognize, sir, that they are grown men the way they act.

Mr. Speaker: Order! I would ask the members once again to keep personalities out of this debate. The Speaker will not stand for doubletalk. If a member is going to stay with the bill, I think he should stay with the bill no matter where he is, and not wander off into personalities. I would just repeat to the members again that we will get much further with this bill if we do stay with the principle of the bill.

Mr. Sopha: Subsection 1, sir, of section 6:

The Ontario Police Commission or any member thereof designated by the chairman, may investigate, inquire into and report to the Attorney-General upon the conduct or the performance of duties by any chief constable, other police officer, special constable or by a law-enforcement officer—

and here are the important words:

—the administration of any police force, the system of policing any municipality and the police needs of any municipality.

Now, sir, posited on my remarks in regard—

Hon. Mr. Roberts: Would my hon. friend just let me point out that is exactly the wording of 48(1), that the commissioner can do at the present time.

Mr. Sopha: Yes, I quite agree.

Mr. MacDonald: What is the hon. member's point then?

An hon. member: Why does the hon. member not listen and he would find out.

Hon. Mr. Wardrope: Start from the first.

Mr. Sopha: I posited my remarks on the basis that one of the things that we have heard a great deal of in this Legislature is local autonomy. I say to you, sir, that replacing the commissioner of the provincial police, an official, as I understand it, directly responsible to the hon. Attorney-General, by this so-called independent body that is to be appointed by the Lieutenant-Governor in Council, this, sir, is a step in the direction of destruction of local autonomy and local control over police forces.

Now, by sheer coincidence, the two places, two of the most flagrant examples of mismanagement and maladministration of the police forces at a local level that have occurred in recent years, were one in the city and constituency of the present hon. Prime Minister of this province, and the other in the city and constituency of the previous hon. Prime Minister of this province. In each case when there was maladministration and when there was dissatisfaction with the management of the local police forces, those matters apparently were cleared up by the voice of the ratepayers and that cured the situation.

I ask hon. members then, what is the need for the creation of a super body of this nature to have the power to go into municipalities and if it be not satisfied with the way it is being policed and with or without just cause, as in its opinion apparently its discretion is the governing factor, it can go in and make whatever recommendations it wishes after it causes an investigation to be made on the policing, the administration of that police force?

I say to you, sir, what is wrong with the way it is being done now, that we need to create this independent super body to be called the Ontario Police Commission?

That leads me, finally, to the other major objection made by the hon. leader of the Opposition. Is this body to be primarily an investigative body, or is to be primarily administrative? I do not recall whether the hon. leader of the Opposition adverted to this, but we know that this legislation was conceived and was born as a device to combat or meet the insistent demands and cries which we had put up on this side of the House, which have been echoed in the public prints, for a Royal commission.

We were told—although I cannot quote chapter and verse at this time—we were told that this was going to be the device and it would seem to be armed with powers to carry out that type of operation in section 6 of the

Act. But in another section it denigrates completely the office of the commissioner of the Ontario Provincial Police. I do not use any term of opprobrium when I say that it makes him a foreman, he is now a foreman, under the police commission subject to the direction of the Ontario Police Commission. The commissioner has the general control and administration of the Ontario Provincial Police force and the employees connected therewith.

An hon. member: Was Mackey appointed to the police force?

Mr. Sopha: What is he if he is not a foreman? He is a supervisor, he is a superintendent, under the police commission. As far as his administrative duties are concerned he could not, under those words as I understand their plain meaning—subject to the direction of the Ontario Police Commission, I assume that means what it says—he could not order 25-cent postage stamps any longer without getting permission of the Ontario Police Commission.

What the hon. leader of the Opposition said and what I repeat is that a body, sir, of this nature cannot be both. It must be one or the other—

An hon. member: That is right.

Mr. Sopha: I think this in effect was what the hon. member for York South was trying to say. I think that was the point of his reading from the commission report, which we discovered about three months before he did. We got a copy of it—

Mr. MacDonald: If somebody had not written for it we would never have seen it. We are never given anything.

Mr. Sopha: It cannot be both, sir; it cannot be both fish and fowl; it must be one or the other.

If it is to be a body concerned with the maintenance of law and order in the province then it must have a large staff for that purpose to keep it alive to developments in the province and to combat the infiltration of those bent on evil, those bent on being anti-social and those bent on breaking the law. It must direct its attention to those in these various activities.

If, on the other hand, it is to be an administrative body, then these three men—and the hon. Attorney-General gratuitously tells us, sir, that only one of them will be permanent, full-time, only one of them will be permanent! Now that is an interesting exercise in verbal

legerdemain. Only one of these three is going to be permanent.

So we have one commissioner of provincial police now and we are going to have three people—only one of whom is going to be permanent. Now, I would like someone, including the hon. member for York South (Mr. MacDonald), to tell me the distinction and difference between those two. If the commission is going to be mainly administrative, then administration is going to occupy most of its time, especially in one field. There are only 24 hours in the day for the three members of the Ontario Provincial Police Commission—as there are for every other person. In matters of discipline in the force, the officers and other ranks of the Ontario Provincial Police, of course, have the right to appeal through an appellate ladder—if I may call it that—up to the commissioner of the force. That is their final appeal as I understand it. In all these matters the provincial police commission replaces the commissioner. They will occupy a great deal of their time hearing appeals on disciplinary matters from the members of the force. No doubt, if one had the time to stipulate another 25 or 30 administrative duties, they would occupy virtually all the time of this police commission.

We understand the confusion and the complexity of this legislation and what will attend its adoption—even if the hon. member for York South and his colleagues do not understand it, we do—we see the difficulties of it.

I would say, sir, that the government has no right to anticipate the recommendations that will be made by Mr. Justice Roach.

We say secondly, sir, that this body cannot perform both functions—those in section 6 and those in section 5 of the bill.

We say finally that we are entitled to know who the personnel will be on this commission, before we are asked to vote for it. The government, no doubt, has made up its mind as to who they will be. Unless we ask these questions we will never be told, because the hon. Prime Minister (Mr. Robarts)—and I do not criticize him too severely—got up before the supper recess, blandly looked over here and asked the hon. member for Woodbine (Mr. Bryden) to adjourn the debate so that we could have a second reading of a bill. He did not say what bill. We would never have been told what bill it was, unless the hon. leader of the Opposition—solicitous as he always is for the protection of our rights over here—got up and asked him. Then we were told that this important legislation—

Hon. Mr. Roberts: Mr. Speaker, as a matter of privilege, I anticipated a remark like this from hon. members on the other side of the House, so I checked the record. This bill was introduced on November 28. I called second reading, I think, every day without exception, since that day. Therefore this bill could have been called on any one of those days. It is on the order paper. It has been there for hon. members to see, yet the hon. leader of the Opposition gets up and makes that little speech—that little insinuation—that I had been juggling the rules. Then his supporters jump up. I am just pointing out the facts. This bill could have been debated any day since November 29.

Mr. Sopha: I was here before the dinner hour, Mr. Speaker, and I heard what the hon. Prime Minister said. He said we are going to have second reading of a bill. I have looked, and I see there are 12 bills for second reading on the order paper, so our chances of selecting this one would be one in 12. On the other hand, if I remember correctly, the hon. predecessor of the Prime Minister (Mr. Frost) used to keep us informed as to what was going on.

Mr. Speaker: I think it is quite apparent to everybody in this Legislature that when we get away from the principle of the bill we get into trouble. Now there is too much innuendo, I believe, and I do not believe that any hon. member should impute motives to other hon. members. After all, this is a House of men elected by the people of Ontario, and I do not think any member should impute motives to other members. They alone know their own motives. As I say, we stay with the principles of the bill.

Mr. Reaume: Mr. Speaker, I would like to ask a question. If the hon. Prime Minister is going to give second reading to any bill, then he should indicate what bill it is.

Mr. Speaker: Order, order. The member has asked a question. As I see it, on any day that we are in session from 3 o'clock onward, there have always been a number of bills on the order paper and, as I see it, any order can be called at any time.

Mr. Reaume: Mr. Speaker, if I may state just one word.

Mr. Speaker: That is the answer to the question.

Mr. Sopha: Now, may I complete my remarks, sir—and I hasten to assure you that I shall give them in short order. Everybody

will be gratified to hear that. I say this: Let the government admit that they devised this legislation for the purpose of meeting the intolerable situation that had descended upon our shores, because of the infiltrations and manifestations of organized crime in Ontario. And let the hon. Prime Minister, having dealt with our demands in the courageous fashion that he has in complying with our demands—nay, the demands of the whole of the people of Ontario, and of all the newspapers—let him and his hon. Attorney-General, whom apparently he is directing, he is showing him who is boss—let them not be so bull-headed as to force this legislation through, sir.

Interjections by hon. members.

Mr. Sopha: Now, what is this sneer about saying that the hon. Prime Minister is boss? Do not hon. members agree that he is boss? Mr. Speaker, I think it would be a good idea for those over there who do not agree that he is a boss, that the hon. Prime Minister send them a copy of The Unemployment Insurance Act for Christmas.

Interjections by hon. members.

Mr. Sopha: It is quite remarkable when you get up here how many people want to make the speech with you.

I make my plea—part of it, having made those two points heretofore—that so far as the autonomy of local boards of police commission are concerned, I do not see, sir, why the government needs to take this step and to let its lack of confidence in those boards be broadcast in the province. They have been doing a remarkable job. We have said on this side of the House that the composition of them does not meet our wishes, we do not see—the hon. member for Essex North (Mr. Reaume) said very effectively, a year ago, that we do not see—why a magistrate should sit on them. One judicial officer is sufficient. If you have a county judge or a district court judge, he is ideal, because judicial matters have to be decided. Of course they do. Matters of discipline have to be decided. They do not need a magistrate. Perhaps, at some more appropriate time, I may be allowed to elaborate on what I think is wrong with having two judicial officers on those boards; but I will not take the time of the House at this time.

Generally speaking, the boards of police commissions — and for that matter local councils, where they are empowered with the power of administering the police forces—

have done a good job. When they do not do a good job, the remedy is with the rate-payers to correct it. And I invite the government not to take this step—not to create a body which has powers, wide powers, that are being given to it in this bill, and to superimpose that upon the local autonomy of municipalities.

Now I have made my plea, sir, and I have made it in all seriousness. Attendant as it was at times with a great deal of levity—principally from the government side of the House—I made that plea in all seriousness. I ask the hon. Prime Minister and the hon. Attorney-General at this time to withdraw this bill. Withdraw it—they do not have to lose any face about it—and wait for the recommendations of the Royal commission.

Mr. K. Bryden (Woodbine): Mr. Speaker, I would like to say first of all that there was a time when I, and I am sure that many other citizens of the province were in the same position, scoffed at the notion of organized crime in this province. When I heard of such references I thought that people must be talking about Chicago or some other place south of the border featured in Hollywood movies.

I have certainly taken a totally different view of the matter over the last year or so with the persistent revelations of the seriousness of this problem, with statements from such unquestioned authorities as Commissioner Harvison and Chief Mackey.

All of these developments certainly brought home to me that this is a very serious problem requiring an all-out attack and a many-pronged attack. I am happy to say that the government, after very much pressure, finally agreed to set up a Royal commission which, in my opinion, is an important step in clearing up this problem. But it certainly does not appear sensible to me, Mr. Speaker, to assume that is the only step that is necessary at this time.

This is a problem requiring a multiple attack and I would like to say, Mr. Speaker, that as far as I am concerned it is not a problem with which anyone should try to play politics. It is far too serious for that.

As a matter of fact, in a sense it reminds me of the emergencies in which our country has found itself from time to time when it was fighting against an external enemy. I do not think anybody wanted to play politics with that sort of problem. Now this enemy that we are dealing with here in a way is almost as insidious, and perhaps more insidious, than an external enemy. I think it most important that as far as humanly possible we should pull

together to present a united front to this menace.

The government has gone a long way in meeting the demand to set up a Royal commission. I, for my part, feel inclined to go as far as it is humanly possible to meet any proposals that they see fit to put before this Legislature. In my opinion, to oppose the principle of this bill now before us is the height of irresponsibility.

I think that the government has a right to expect support in a matter of such urgency for any reasonable proposal which on its responsibility it thinks might contribute to a solution of the problem. It seems to me—I am not expert on these matters—but it seems to me that this particular proposal will be of substantial benefit if it is implemented.

I complained earlier today in another debate about the government deferring action of any kind until a Royal commission had reported. I am now not going to be so inconsistent as to complain because they are proceeding with action in certain areas where it appears appropriate to proceed. This seems to me to be a good idea.

My hon. leader has indicated that we had certain reservations with regard to some features of the bill. I will mention one only and I again mention it as a person who is certainly not learned in the law and it is perhaps possible that my interpretation is incorrect, but I am more than a little concerned about the question of the independence of the commission.

The hon. Attorney-General has assured us that it is his intention that this commission will be totally independent. I am not such a novice in the law that I do not know that the important thing is what the statute says and not what the hon. Attorney-General, distinguished as he may be in such matters, may say.

I have searched this bill and have been unable to discover any provision whatsoever regarding the tenure of the commission and it is my belief, Mr. Speaker, that independence is intimately bound up with tenure of office. If any person has a secure, unchallenged and unchallengeable tenure he is independent, but if there is any chance that he is subject to arbitrary dismissal, then his independence is to some degree reduced.

It may be that that I have missed something here, if I have I will be glad to have it called to my attention. But I think that it should clearly be stated in this bill either that the members of this commission will hold office for a specified term of office which should not be less than 10 years, or I might

say even preferably, that they should be removable only by address of this Assembly. That, in my opinion, would create true independence and would create confidence that the commission is truly independent. I might even go further and make what may be a novel suggestion, that the appointments should be subject to review in this Assembly, but once the members have been approved they should then have unquestioned tenure of office.

That, Mr. Speaker, is certainly the most serious reservation I have in mind. It may be that I have simply missed something in the bill or in the statute which it proposes to amend. I hope that when we get into the committee stage of his bill, the hon. Attorney-General will be in a position to give us a complete assurance on this matter, not only on his own say-so but based on the wording of the bill and of the statute which it proposes to amend. If there is any inadequacy on this question of tenure, I would suggest to the government that they should consider bringing in an amendment at the committee stage of the bill.

However, that is a reservation on a matter of detail, important as the detail may be. On the question of principle it seems to me that it is most important that all of us should pull together and support any reasonable measure the government may propose to try to deal with this very serious problem and I would merely reiterate the position stated by my hon. leader, Mr. Speaker, that this group plans to vote for the second reading of this bill, thus indicating our support of the basic principle of the bill.

Mr. F. R. Oliver (Grey South): Mr. Speaker, I am even running the danger of being called irresponsible by the hon. member for Woodbine (Mr. Bryden) by saying that I have what I think are fundamental and very serious difficulties with the bill itself. I think it falls very far short of what the government expects of it. The portrayals by the hon. Attorney-General (Mr. Roberts) and by the hon. Prime Minister (Mr. Robarts) on various occasions, seem to me to be out of line with the clauses of the bill itself.

I want to go back just for a moment or so to a few weeks ago when there was first talk of this bill being brought into the Legislature. The purpose of the bill at that time, as I recall it—and I know it was emphasized by both the hon. Attorney-General and the hon. Prime Minister in subsequent speeches—the purpose of the bill was to allay the fears of those who felt there was organized crime in this province and that some instrument ought

to be brought into being to cope with that situation. This bill was designed to do that very thing, it is not designed to do the thing that is suggested tonight, that it is supposed to do.

Now that is my first real objection to it. It is not a bill to investigate, it is an administrative bill. There is a clear line of demarcation and distinction between the two. Up until the past few days, it was a bill that would have embodied in it powers of investigation, powers of finding out, powers of searching and bringing back to the government the result of their inquiries. But tonight it is an administrative bill and it is of entirely different complexion when one views it in that light.

The other serious objection that I have to the bill is this—

Hon. Mr. Roberts: Would the hon. member let me—

Mr. Oliver: No, I want to finish what I have to say. The other serious objection has to do with the Royal commission itself. That Royal commission has been clothed with the widest powers, I think we all agree now that we at least interpret that it has quite wide powers—

Hon. A. Grossman (Minister without Portfolio): The hon. member's leader disagreed.

Mr. Oliver: The hon. Minister should just keep quiet, he will have trouble enough looking after his liquid refreshments; he is not doing too good a job of that.

What I want to say about the Royal commission is this: they will be called upon to examine and to report. I would think that they will make some very fundamental recommendations in their report and I would think, Mr. Speaker, that one of their recommendations might well be the very kind of thing that we are putting in this bill here tonight. We are in my estimation pre-judging what the Royal commission might very properly do when it makes its recommendations to this government and to this House. Therefore, I say it is untimely, it is not the proper time to bring the bill before the House.

The other point is, of course, as to personnel. I do think that before we are asked to vote on this bill we should know who are the people who are going to be on the commission.

The other point, of course, is the political aspects of the bill itself. Any commission

that is set up under the terms of this legislation, if it is to be worth anything at all, it must be completely non-political. Now I ask this House to judge how we can say that this commission will be non-political when its members are appointed by order-in-council and it is responsible to the hon. Attorney-General of this province? Now surely that is a political commission and nothing else.

Therefore I suggest to hon. members that if the commission is to be worthwhile, and if it has a function to perform, it should be so non-political that it does not report to the hon. Attorney-General of the province, it reports to the hon. Prime Minister and through the hon. Prime Minister to the House. How we can argue for one moment that it is not political in its operation when it is appointed by the government, and reports to the hon. Attorney-General, is beyond me.

For those reasons and from a layman's point of view, I cannot see why there is any hurry for this bill; I cannot see why we should support its second reading, because of the reasons we have given.

Mr. A. J. Reaume (Essex North): Mr. Speaker, at the actual time of the first reading of the bill it was quite clear that the government had no idea of having a Royal probe. It appeared, I think, that it was actually trying to hide behind the report and the introduction of that bill. In its mind, I think, was this: that it would take the place of having a Royal probe. Now, and I think that the hon. Prime Minister (Mr. Robarts) will have to admit this, it was only by the constant pounding on the part of the people of the province that a Royal probe was finally brought about. That is true.

I have noticed that in other probes the government does not make any hidden effort at all to muddy up the waters, it merely appoints a commissioner and also appoints a counsel for the commission. Any Royal probes that I have seen in the last 18 years, the man who is appointed or the man who has been appointed as counsel for the commission has always been a high ranking Tory in this province—with no exceptions at all. I think that we should have the absolute assurance of the hon. Prime Minister of the province that this probe will have the widest possible powers; that there will be no restrictions. The hon. Prime Minister knows what I am talking about.

Five times now the hon. leader of the Opposition has asked you for this one ques-

tion: Are the powers, are the terms of reference broad enough that they will embrace all forms of crime and all the departments of the government? I think it is pretty nearly time that the hon. Prime Minister of the province stood up in the House and gave all of us his absolute assurance that it has the broadest of powers.

An hon. member: He has done that!

Mr. Reaume: He has not.

Hon. Mr. Robarts: Mr. Speaker, I have heard an expression used in this House on several other occasions and I guess it is true again tonight; the Opposition is trying to suck and whistle with the same breath.

The Opposition is opposed to crime and all its ramifications, imagined crime, unimagined crime, all kinds of crime, and when we come in here with a bill to set up a police commission to put the investigation of crime in this province on a continuing basis, what do we meet? We meet legalistic arguments, we meet questions of whether it is administrative, we meet quibbling about when the bill was called, which I must say I do to a certain extent resent because this bill was on the order paper for a long time. It could have been called at any time since November 29 and I would assume that the hon. leader of the Opposition was ready to debate it at any time from that date forward because it had sat on the order paper from that date.

However, I will just point out a few of the things I see that this bill can do. In the first place, I can see no conflict between the functions of this bill and the Royal commission. The Royal commission is set up to do some very specific things and it will function, I would hope, within a specific period of time, in order that we may get the answers to some of these problems.

These matters have come about as a result of certain allegations, many of these matters are presently under review by the courts of Ontario, and who is to say when we will receive the report from the Royal commission? No one tonight is able to say when that report will be here. But this government is not prepared—as the Opposition would ask us to—we are not prepared to leave this whole question with nothing to be done about it until the final report of this Royal commission comes in. This police commission has many functions that it can carry out while the Royal commission is discharging its functions and duties as well.

It has been mentioned by the hon. leader of the Opposition (Mr. Wintermeyer), and he has quoted the Morton report, in which he speaks about a national body, and which recommends a Canada-wide body to deal with these matters. Now what better function could this police commission serve, for instance, in the event that the federal people do decide to move; because we all know that the criminal code is a matter of federal jurisdiction.

We all know that there are great fields of crime and various facets of crime over which this assembly has no control. What better function could this body serve, for instance, than to co-operate with the federal government in solving these problems? I point out this, that could be done, and should be done, and is that which we intend to do.

There are all types of research projects which could be carried out in the field of criminal investigation and police training. These are matters that will fall under the jurisdiction of this commission.

There is the whole question of co-operation with similar bodies that are set up in jurisdictions that are adjacent to this province. A great deal has been made of this matter in the past few weeks and we are taking steps to appoint a body that can deal with similar bodies and other jurisdictions to satisfy itself as to what is going on and satisfy itself as to what steps it might recommend that this government or other jurisdictions or other police commissions should take in the province in order to provide the police protection that we need.

I mention these matters that can be dealt with by this body. I consider it to be nothing but obstructionism on the part of the Opposition to oppose this on what I term and believe to be the completely legalistic basis that has been advanced. It is impossible for us to appoint the personnel to this police commission until we have the bill passed and until we have power to appoint them, because the power of appointment lies within this Act and I can assure this House that we will—

Mr. Wintermeyer: That is pretty technical—

Mr. Robarts: It is not the least bit legalistic. What power have we to appoint this commission until this bill becomes law? We have no power whatsoever.

Now I can point out that I am presently negotiating with certain people to sit on this commission. I am not in a position to tell the House who they are because I have

not as yet obtained their agreement to take part and to sit on this commission. But I can assure the House that as soon as I am able to do so I will and if the appointments—if I can arrange the appointments during the recess—I will make a public announcement of it as soon as possible.

I can further assure the House that we will be satisfied with no one but men of very high integrity and of ability and of knowledge in these fields. I have made some notes here upon what was said by the hon. member for Sudbury (Mr. Sopha). I did not really understand his reference to my own community of London. He made some reference there to the police force and—

Mr. Sopha: Did not a policeman run for mayor?

Hon. Mr. Robarts: Yes!

Mr. Sopha: Down there?

Hon. Mr. Robarts: Yes!

Mr. Sopha: After an unsavory situation in the police force, he ran for mayor and it was investigated by a judge—

Hon. Mr. Robarts: I fail to see the significance.

However, as far as the point that was made by the hon. member for Sudbury, that we are derogating from municipal autonomy, this is a pretty tattered old garment to produce in a debate of this type because as he knows under the bill as it stands now, it is the commissioner of the Ontario police who carries out the function that we are going to give to a commission of three people. We will in no way derogate anything from municipal autonomy that is not already derogated, if I may put it that way.

I can only repeat that as far as this government is concerned, we feel that this bill will create a body that has a real job to do. We will obtain proper personnel to do the job and I would ask the House to support this bill in the interests of what we are all attempting to do. We have heard many high-sounding phrases about crime and so on. This is a very concrete step that we propose to the House to deal with this problem. I suggest that it falls to the sense of responsibility of all of us to the people of this province, to proceed with these matters as rapidly as possible.

Mr. R. M. Whicher (Bruce): Mr. Speaker, one thing that I want to point out is that I

hope that no hon. member from the government benches will say that I am bringing in legal obstacles to this bill, because I assure them that I know nothing of legal matters whatsoever. However, even we laymen are very interested in bills such as this and I think that it is only fit and proper that we should have some things to say about it.

First, may I say that we in the Opposition benches resent very strongly the observations of the hon. Prime Minister (Mr. Robarts) when he stood here just a minute ago and said that we were trying to obstruct the cause of justice in this province, when in reality what we are trying to do is to help him out. As a matter of fact, Mr. Speaker, had it not been for the hon. leader of the Opposition (Mr. Wintermeyer) and the members from the Opposition benches, we would not have had a Royal commission in the first place. We are the people who caused the Royal commission in this province and nobody else. It was the hon. leader of the Opposition—

Mr. Wintermeyer: Why only a few days ago they were saying there was no need for one.

Mr. Whicher: It was the hon. leader of the Opposition, with the great amount of work that he did in gathering the material which he so ably gave in this House a few days ago, that caused a Royal commission. He gave the information to the papers of this province and the papers demanded that this government have a Royal commission. Hon. members of the government saved their skins and their political hides when they caused a Royal commission to be established. As a matter of fact, Mr. Speaker, I say to the hon. Prime Minister that he is going to have to do a whole lot more than that to save the political hide of the hon. Attorney-General (Mr. Roberts), because it is nailed to the wall right now.

Mr. Speaker: Order! I would ask the hon. member to speak on the bill which is before the House.

Mr. Whicher: Mr. Speaker—

Hon. Mr. Roberts: On a point of privilege. I will stake my personal and political career and I expect the hon. leader of the Opposition (Mr. Wintermeyer) will have to do likewise, on the outcome of this inquiry.

An hon. member: The hon. Attorney-General has not got one. He has nothing at stake.

Mr. Sopha: It ended on October 24.

Mr. Speaker: Order! Order!

Mr. Whicher: If he is staking his political career, it is very small stakes indeed.

Mr. Speaker, I would like to ask this question as a layman who knows nothing of legal matters. Is there no rule in this House that says that even discussing a bill such as this is *sub judice*, in as much as a Royal commission has already been appointed by the government of this province?

Mr. MacDonald: No! No! And do not get that rule established, because the hon. member will be arguing against it.

An hon. member: He only asked Mr. Speaker—

Mr. Whicher: I am only asking a question! There may or there may not be, but I am not nearly as well-informed about legal matters as the lawyer from York South.

Mr. Speaker: Order! order!

Mr. Whicher: Mr. Speaker, if the hon. members of this House are fair, they will admit these three points.

First, this bill was conceived before the government decided to have a Royal commission. There is no question about that whatsoever.

Second, it was brought forth as an excuse for not having a Royal commission. Is there any question about that whatsoever? I heard the hon. Attorney-General on more than one occasion in this House say that inasmuch as this bill was coming forth, there would be no reason why we should have a Royal commission in the province.

Hon. Mr. Roberts: On a point of privilege in answer to that: the only reason we are having a Royal commission is the charges of the hon. leader of the Opposition (Mr. Wintermeyer) and he will stand or fall on those.

Mr. Whicher: Mr. Speaker, the hon. Attorney-General (Mr. Roberts) should never use the word "fall" in this House, because he is the one who is falling.

Mr. Wintermeyer: On a matter of privilege, may I ask the hon. Prime Minister of the province (Mr. Robarts) whether the explanation the hon. Attorney-General (Mr. Roberts) has made is accurate? Is that the reason? The hon. Attorney-General has said that the only reason for the appointment of a Royal

commission is because of the so-called charges that I have made.

Hon. Mr. Robarts: Mr. Speaker, it is not a simple thing to answer the question. As I said in the House, at the time the hon. leader of the Opposition (Mr. Wintermeyer) made his address in the Throne debate—I said subsequent to that—that I would examine all the matters which he had raised and decide what I would recommend to the government to do; and that is what I did. The decision was based on an examination of all those facts that were revealed in the speech that the hon. leader of the Opposition made, as I said before. I do not particularly want to go into this again, but if he reads the address I made on Monday when I announced the appointment of the Royal commission he will see in that speech the reasons why I recommended to the government that the Royal commission be appointed.

Mr. Wintermeyer: Is the hon. Prime Minister denying the statement that has just been made by the hon. Attorney-General?

Interjections by hon. members.

Mr. Wintermeyer: Mr. Speaker, this is a matter of real personal privilege; I am addressing myself to you.

Hon. J. Yaremko (Provincial Secretary): State the privilege!

Mr. Wintermeyer: My point of privilege is basic and elementary, as I stated.

Hon. Mr. Yaremko: The hon. leader of the Opposition has not stated it yet.

Mr. Wintermeyer: Mr. Speaker, the hon. Attorney-General rose in his chair and said the only reason for the appointment of a Royal commission was because of certain charges that I had made in this House.

Hon. Mr. Grossman: No privilege in that! The hon. leader of the Opposition was not insulted.

Mr. Wintermeyer: Now, just a minute, there certainly is.

Mr. Speaker, I am addressing myself to you. I ask you to rule whether or not; first, this is a matter of privilege and I have the right to ask of the hon. Prime Minister whether his hon. Attorney-General has made an accurate statement or not.

Mr. Speaker: No ruling is necessary on that.

Mr. Whicher: Mr. Speaker, when I was interrupted I was not at all through; I think we will have to talk for a long time to get the government to change its mind. As a matter of fact, I assure hon. members opposite that if they do change—and I say this in a very kindly way—we are not going to boast to the people of the province that they had to **change their minds** or anything like that. We will be very nice about this thing. I would say, Mr. Speaker, that if we make mistakes on this side of the House we will be only too pleased to admit it to the public.

Only the other day, Mr. Speaker, the hon. Prime Minister (Mr. Robarts) admitted to all of the six million people of the province of Ontario that the hon. Attorney-General (Mr. Roberts) had made a mistake and he had formed a Royal commission when the hon. Attorney-General said it was not necessary. The hon. Prime Minister admitted this to six million people.

Now I suggest, Mr. Speaker, that if the hon. Attorney-General and the hon. Prime Minister are honest and conscientious, as they were in forming a Royal commission, that once again they will say to the people of this great province: "Yes, in our inexperience in this new government, we have made mistake No. 2." And as I say, we will be kind in our criticism and not say another word about it. We will let the people be the judge.

Mr. Speaker, as I said before, on this bill I have three points to make.

First, this bill was certainly conceived before a Royal commission was ever thought of. Second, it was brought forth as an excuse for not having a Royal commission. Things have changed completely since the hon. Prime Minister stood up in his seat and said he had made a mistake and they were going to have a Royal commission.

Hon. Mr. Robarts: When did I say that?

Mr. Whicher: By the actions of the hon. Prime Minister. Actions, Mr. Speaker, speak a whole lot louder than words.

Interjections by hon. members.

Mr. Whicher: Indeed, Mr. Speaker, the other day they spoke very loudly to all the people in the province. Particularly the people in the five by-elections that they are having on January 18, will speak very loudly and clearly.

Mr. Speaker, this is my final question. Let us for one minute put ourselves in the position of that very learned man whom all members of the legal profession have said is a fine

man and a credit to his great profession; let us put ourselves in the mind of Chief Justice Roach, who has been given by the hon. Prime Minister of the province of Ontario the job of investigating organized crime. Then, all of a sudden, two days afterwards, the hon. Prime Minister, by bringing forth this bill in this House has said he is not trusting this Royal commission. They have to have some proof from The Department of the Attorney-General to go and check on it and do the job twice.

I suggest to you, Mr. Speaker, that this is not necessary at all and I do hope that even if the new NDP's do not support us, in our views, that the government will change their mind correctly and sincerely as they did two days ago.

Interjections by hon. members.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, such consummate rudeness, such rudeness!

I shall try to be brief. If the hon. back benches of the government will be quiet I shall try to make my remarks as brief as possible.

Mr. Sopha: Mr. Speaker, is "schizophrenic" unparliamentary?

Mr. R. C. Edwards: Mr. Speaker, since I came to this House almost three years ago, I have come to learn that the government benches opposite have a favourite phrase and I think it is something about "in the fullness of time." Coming to know the policy of the government which is apparently being one of caution, I have come to expect them to go slowly.

It is somewhat confusing to me to listen to the remarks of the hon. Prime Minister (Mr. Roberts) when he rose to his feet a few moments ago. In trying to castigate the Opposition he stated, or he repeated, the expression which has been used in this House about "sucking and whistling at the same time." Mr. Speaker, if ever I saw an example of whistling and sucking in the same breath, it is in the action of the government benches in forcing this bill through at this time.

The hon. Attorney-General (Mr. Roberts) has made a statement not once, not twice but many times over the past few months, stating that there was no need for a Royal commission in this province. He has amplified it. He has criticized the hon. members of the Opposition in calling for one. Now the government has done an excellent case of manoeuvring or of whistling and sucking at the same time by changing their minds with-

in a few months and calling for a Royal commission.

I saw the same principle followed by the hon. Prime Minister just a few moments ago when the government benches would not even answer a short, straightforward question from the hon. leader of the Opposition (Mr. Wintermeyer). When the hon. Prime Minister was asked whether or not the statements of the hon. Attorney-General (Mr. Roberts) were part of the policy of this government, he could not answer straightforwardly. Mr. Speaker, if that is not sucking and whistling at the same time, I do not know what it is.

It seems to me, Mr. Speaker, that some of the government supporters cannot understand the function of an Opposition. We are quite willing to pull with the government when we believe that they are right. My hon. leader has tonight commended the hon. Prime Minister in the appointment of a Royal commission.

Certainly there should be some consideration for our views when we oppose this bill which we believe to be duplication, which we believe will hurt the purposes of the Royal commission, which we feel will hinder the Royal commission. Surely there is some reason when we feel that there is a duplication.

We have pointed out that this is a very serious matter, in our opinion and we will not do anything in this party which will hinder the cause of that Royal commission, which we feel to be all-important in the life, the social and economic life, of the people of this province.

I find it difficult to understand the reasoning of the hon. Prime Minister when he says that there is no conflict between the purposes of the Royal commission and the purposes of the police commission. In my opinion, and the opinion which has been voiced on this side of the House, there most certainly is a similarity. I think to say that they are not trying to accomplish the same purpose, or to give that impression, is erroneous.

I think, as I said, that there is a conflict. I think that if the government and the hon. Prime Minister would take a little bit of time, would allow this commission to come forward with their views, and providing the Royal commission did not indicate a different course of action, I think the hon. Prime Minister would receive the support of this party. But for the hon. Prime Minister or the hon. Attorney-General to say, or for the hon. members of the N.D.P. party, who made some kind of foolish statement that because we

disagree with the government, we show the height of irresponsibility—I say to you, Mr. Speaker, if ever I heard an irresponsible statement that was it. The function of the Opposition is to oppose the government when they feel that it is wrong. And I suggest, Mr. Speaker, that—

Interjections by hon. members.

Mr. Speaker: Order!

Mr. R. C. Edwards: The hon. member for York South (Mr. MacDonald) made some kind of a comment about understanding why I had been in the Opposition so long. I have been here for a considerably shorter period of time than he has been in the Opposition.

Mr. Speaker, we oppose this bill on principle, we oppose this bill because we feel it should not be coming forward at this time. We will support any progressive measure which we feel will get at the heart and the soul of organized crime in this province, but we are prepared to go forward in a sensible, systematic manner and not get into a panic and have the whole thing duplicated, and perhaps hinder the cause of the Royal commission in so doing.

Mr. Speaker: Is it the pleasure of the House the motion carry?

Will those members in favour of the motion say “aye”.

As many as are opposed please say “nay”.

The motion was carried on the following division:

YEAS	NAYS
Allen (Middlesex-South)	Bukator
Auld	Chapple
Boyer	Edwards
Brown	(Wentworth)
Bryden	Innes
Carruthers	Newman
Cathcart	Oliver
Cecile	Reaume
Connell	Sopha
Cowling	Spence
Daley	Trotter
Davis	Troy
Downer	Whicher
Dymond	Wintermeyer
Edwards	Worton
(Perth)	—14.
Gisborn	
Gomme	

YEAS

Goodfellow
Grossman
Haskett
Johnston
(Carleton)
Lawrence
MacDonald
Mackenzie
MacNaughton
Morin
Morningstar
Morrow
McNeil
Parry
Price
Robarts
Roberts
Rollins
Root
Rowntree
Sandercock
Spooner
Stewart
Sutton
Thomas
Wardrope
Warrender
Whitney
Yaremko

—45.

Mr. Speaker: I declare the motion carried.

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Mr. K. Bryden (Woodbine): Mr. Speaker, I might say at the outset that as an Opposition group I hope that we can distinguish between opposition and obstruction.

Before this particular debate was adjourned at the supper hour, I was dealing with what I consider to be a highly important matter, although the Liberals considered it so unimportant that they did not even mention it in their amendment that covered what one would have thought was almost everything under the sun. That was the question of industrial safety.

Before I leave that subject, Mr. Speaker, I would like to refer in somewhat greater detail than I did when I previously referred to the matter, to the answer given by the hon. Minister of Labour (Mr. Warrender) to my question on November 28 regarding the death of Luigi Trevisiol. I would like to quote

again the report that he quoted from the inspector from the Toronto department of buildings:

I have made an inspection of the above property. A permit was issued under the above file number [that is 64888] to build an 11-storey building.

On Monday, November 27, 1961, at approximately 3.30 p.m. a brick-layer fell to his death from the ninth floor of the building. This man, Luigi Trevisiol, was engaged in laying brick in the south-west corner of the building, near a projecting balcony approximately 5 ft. by 15 ft. in size. Guard rails and kick planks were in evidence here prior to this accident.

However, the above foreman, Feareno Orsolini, has informed me that the short kickplank and guardrail on the balcony at the east end were removed in order to string a line in preparation for the first course of brickwork east of the balcony doorway. Luigi Trevisiol walked backwards in setting this line and fell nine storeys to his death.

This job had ample protection throughout the building as guardrails and kickplanks and steel cables are in evidence on all floors that are not enclosed in masonry.

That was the report of the building inspector of Toronto. I will not now repeat all of the hon. Minister's comments on it, but I would like to refer to one comment he made. He said this:

It is interesting to note that he [that is, Trevisiol] fell from the ninth floor and had worked on all the lower floors under identical circumstances. No reason [says the Minister] can be given for this accident, I am told. It is put down as a sheer accident, a misadventure.

Now, Mr. Speaker, I would suggest to this House that it is sheer nonsense to say that this tragic occurrence was sheer accident. The report states specifically that the guardrail and kickplank at the east end of the balcony had been removed and that Trevisiol backed off the balcony at that point to his death. Clearly there was negligence somewhere. Who removed the guardrail and the kickplank and by what authority? It is the responsibility of an employer, or should be, not only to provide proper safety devices but also to ensure that they are used.

There was a foreman on this job. Why did he permit the work to proceed without the safety devices in place? I am well aware, Mr. Speaker, that workmen are human beings

like everyone else, and they may sometimes be negligent themselves. They may disregard their own safety in order to find an easy way of doing the job.

It requires a large and continuous measure of education reinforced if necessary by discipline, to prevent such an attitude from becoming prevalent. The hon. Minister's report is too sketchy to indicate if the men engaged on the job where Trevisiol was killed were to some degree responsible for the unsafe conditions that existed. But if they were, they ought to have been properly warned and if by any chance they ignored the warning, they should have been disciplined. It is far better for a man to be disciplined than to be dead.

If the highest possible measure of safety is to be achieved, there must be a high degree of safety-consciousness at all levels from The Department of Labour to the employer and the individual workman. Constant vigilance against unsafe working conditions by everyone concerned is essential.

When, however, The Department of Labour, which ought to be setting the standards, adopts the attitude, and I submit that this was the attitude that the hon. Minister himself adopted in answering my question on this subject, that the problem is not too serious or, alternatively, that it is too difficult to do much about, what can one expect from the ordinary workman, or for that matter from the employer? The unfortunate fact seems to be that of the negligent "do not bother us" attitude of The Department of Labour which certainly has existed in that department as long as I have been in this House. That attitude has permeated the whole industry. The grim results are seen in the death of Luigi Trevisiol, a fine-looking young man—I say he was a fine-looking young man, on the basis of a picture I saw on the front page of *Carriere Canadese*—skilled in his trade, whose life was cut short before he even reached his maturity. They are seen in the death of Trevisiol, and in many other deaths and serious injuries.

Let us remember, Mr. Speaker, that Trevisiol's death was the twenty-third construction death in this city since the beginning of this year.

A discussion of safety in the construction industry inevitably leads to a discussion of licensing. The Royal commission discussed this matter at some length on pages 12 to 14 of its report and it arrived at the firm recommendation—which I cannot take time to read but it is in the report for anyone to see—that

builders, contractors and sub-contractors should be licensed by a provincial authority with adequate right of appeal. It is instructive to study the reasons the commission gave for its recommendations which are found on pages 12 and 13 of its report, and which I will quote in part. The commission said:

A substantial number of contractors have established a commendable record of safety-consciousness and high standard policies governing safety on jobs.

On the other hand, your commission is concerned with a growing area of irresponsibility, characterized by the "fast-bucker," or "fly-by-night" builder, or the unqualified and speculative newcomer whose record demonstrates a serious lack of knowledge of safety, responsibility and respect for legislation.

The increasing intensity of competitive bidding creates and stimulates a special and unfair advantage for this irresponsible element. Decided savings may be effected by disregarding even minimum precautions against accident.

The irresponsible contractor avoids stabilization through collective bargaining. His contractual identity is not constant.

—that is a point I would like to deal with a little later, Mr. Speaker—

To preserve his special advantage he must avoid all forms of restriction required as current standards of conduct and performance.

It is a reasonable assumption that if unchecked, this element enjoying special privileges will seriously hamper and may well destroy the work and ability of responsible contractors to advance the cause of safety in construction.

That was on page 12 of the report. I would now like to read two or three paragraphs from page 13:

If, after years of safety legislation, education, persuasion and example, such employers selfishly persist in evasion of the law, their right to operate in this industry should then be qualified by a requirement for adherence to the law in practice as a condition of a licence and of the right to obtain subsequent building permits.

Then a little further down:

Evidence clearly demonstrates that the failure of this industry in self-regulation is largely attributable to the tactics and policies of the irresponsible segments. Present penalties for infractions are inadequate deterrents. Savings effected by

evasion of the regulations more than offset penalties if and when infractions are detected. The loss of a licence as a result of a record of failures to comply with these regulations would clearly focus the actual area of responsibility for non-compliance. The safety record of the individual contractor should be given paramount consideration in deciding whether to grant, renew or cancel his licence.

I agree entirely with those comments as far as they go, Mr. Speaker. But they do not go far enough, partly because the Royal commission was limited by its terms of reference to merely questions of safety. The matter, in my opinion, should be put on a much broader basis and for two reasons:

First, not all of the blame should be put on the builders, contractors and sub-contractors. Certainly some of them are blameworthy enough but equally blameworthy are the developers and speculators and promoters who lurk behind these contractors.

This industry is plagued by small contractors and especially small sub-contractors who are lured into it by prospects of huge profits but actually have not got sufficient capital behind them. They come and go with confusing frequency and in doing this they create chaos in the industry.

Then the promoter moves in to fatten on the chaotic situation. He can get his work done at cut-rate prices just because there are always builders around who will cut corners on safety and who will chisel on the wages of their workers. The promoter who lets a contract on this basis, in my opinion, is just as culpable as the contractor himself, and there is just as great a need to regulate his activities.

My second reason for wanting to broaden the whole question of licensing is that almost everything the commission has said about safety and about the demoralizing effect of the fast-buck operator in any efforts to promote safe conditions, is equally applicable in other fields.

These are the same people who fleeced and chiselled their employees and flagrantly violated the laws relating to vacations with pay, workmen's compensation, unemployment insurance and almost everything else, until the whole seething mess blew up last summer in a violent strike of construction workers.

They are also the same people who have driven trucks through municipal zoning by-laws by building buildings in full knowledge that they were acting in contravention to the by-laws, unloading them on unsuspecting parties and then moving into another municipality

before they could be caught. It has even been alleged, Mr. Speaker—in fact it has been frequently alleged and charged—that some of these people have even gone to the extent of corrupting or attempting to corrupt municipal officers and municipal councils.

The problem of keeping track of them is compounded by our lax corporation laws and by the lax administration of those laws. I think that may be what the Royal commission had in mind when it referred to the fact that the contractual identity of these people is not constant.

Under The Corporations Act of this province—and I have no doubt it is much the same in other provinces, but just because it is lax in other provinces is no justification for it being the same here—under our laws the leopard can readily change his spots by going through the relatively simple and inexpensive procedure of setting up a new company. All he needs to do is to put the name of his wife, and the name of his mother or—if they do not trust him, and heaven knows they probably know him well enough that they may not trust him—the name of his stenographer and his lawyer's stenographer, along with his own, as shareholders and directors of the company and pay a nominal fee. Then he has a brand new charter for a private company, with a brand new name.

Some of these men have more aliases than professional con men but they have this advantage over the con man, that, Mr. Speaker, their aliases are all registered under The Corporations Act of this province. In most cases the companies, of the nature to which I am now referring, are nothing but dummies designed to conceal the identity of the principals who are operating behind them.

Shoestrings have been parlayed into huge fortunes by fast footwork and sharp practice, in real estate promotion and building in this city and this province.

An hon. member: Not always.

Mr. Bryden: Not always, that is true, but there certainly have been some fast-buck operators who have parlayed shoestrings into huge fortunes. And now they luxuriate in a vulgar display of wealth, having contributed practically nothing to the province—except chaos for their industry, and heartache for their employees and their customers.

Clearly, there is an urgent need for closer supervision of the activities of these people; I am talking now not only of the little ones—and there are a lot of little ones that certainly need to be watched—but some of the big ones, too.

The Royal commission on industrial safety did not make detailed recommendations for a licensing procedure. It suggested instead that the whole question should be studied by the safety council. Unfortunately, this council is still only in the process of being set up, and in any case, Mr. Speaker, I am not sure that it is the best body to conduct this particular study, since—as I have already indicated—the problem extends well beyond the safety field. There is a problem in the safety field, but there is a problem in many other fields as well. However, one thing I am certain of, is that the problem should be studied—and soon—by some appropriate body, and that the government should aim to introduce appropriate legislation dealing with licensing during the 1961-62 session of the Legislature.

Though the details have to be worked out, the basic principles, as I see them, are quite clear. There should be an authority to license builders, contractors and sub-contractors—and, I think, promoters and developers, too, not all of whom are necessarily builders. This authority should be a provincial authority. This is certainly not a proper area for municipal jurisdiction; to hand the responsibility over to the municipality is merely to invite uneven and inadequate enforcement of the legislation. Therefore, the licensing authority should be provincial in scope; it should have the power not only to grant but also to refuse, extend or cancel licences—subject, of course, to a proper appeal to the courts—and it should work closely with the administrators of The Corporations Act to ensure that a company applying for a licence, is not a cover-up for someone who has already been refused a licence, or has had a licence cancelled.

I feel certain, Mr. Speaker, that reputable businessmen in this industry will have nothing to fear from a licensing authority. In fact I think—I admit I have no evidence of this—but I think they would welcome such an authority, because it would help to produce order out of the present chaos so that the legitimate businessman can carry on his business in an intelligent and business-like way.

Now, Mr. Speaker, I would like to deal with a different subject, raised by my hon. leader in his sub-amendment to the address in reply to the Speech from the Throne—that is the question of the sales tax.

We rejected the provision of the main amendment on this particular question—the Liberal amendment which spoke vaguely of a \$25 plan, or something like that; I am not quite sure what it is, but I think I can judge what is meant from the statements that the hon. leader of the Opposition (Mr.

Wintermeyer) has made outside the House. We rejected that particular clause in the main amendment because we do not think it is good enough. Our position is—and was last year when this bill was brought in—that there should not be a sales tax in this province; our amendment calls for the repeal of that tax. When the bill was introduced last year, we indicated our opposition to it in no uncertain terms, and even went to the extent of moving an amendment on second reading which was designed to defeat the government's bill. We still oppose the tax as our sub-amendment indicates.

The reasons for our opposition were set forth fully in our amendment of last session and more briefly in our present amendment. They are twofold: First, in our opinion, this kind of tax is inherently regressive and unfair because it bears most heavily on those who are least able to pay. There is no need for it in Ontario at this time, since other, fairer, methods of raising money are still available to the government. Our group has frequently placed before this House, suggestions for alternative methods of raising money and a little later I am going to review some of these suggestions. But before I do that, I would like to refer to our second reason for opposing, or for calling for the repeal of, the three per cent sales tax. In our opinion it is particularly unfortunate during the present period of economic stagnation and chronic unemployment, because it directly discourages consumer purchasing, which is already inadequate.

We have, as I said, carried on quite a campaign—first to prevent this tax from becoming a law, and now to have it repealed; and I must say that we have always run into difficulty in mounting a strong offensive because of the way in which the ambivalent Liberal party has contrived to muddy the waters. That group does not seem to be able to make up its mind whether it is in favour of the sales tax or against it. For two years the hon. leader of the Opposition stumped this province, campaigning in favour of a sales tax; and I think it is quite fair—I always believe in giving credit where credit is due—to state that he is the father of the sales tax in this province. However, when his child was presented to him by the government in the last session, he repudiated it. He and his group, after a great deal of wriggling and squirming, even ended by voting in favour of our amendment and against the tax. I thought myself—I admit that I am fairly naïve—but I thought that, having first been in favour of the bill and

then against it, the Liberals had exhausted all conceivable positions; but I must admit that I underestimated the nimbleness of Liberal footwork because they have now found a third position; they are in favour of the sales tax, and against it at the same time. And I am sure that if they run—

Mr. J. J. Wintermeyer (Leader of the Opposition): How can the hon. member explain that?

Mr. Bryden: The hon. leader of the Opposition should read his amendment. Everything comes to those who wait; I will explain it. I cannot explain it while the hon. leader of the Opposition is talking.

I have no doubt that if my hon. Liberal friends should run across someone who is neutral on the tax they would tell him that they are on his side too.

The hon. leader of the Opposition has now proposed something which is quite different from the proposal he made last year or the year before—that the sales tax should be continued, but that, except for certain items—cigarettes and liquor, I believe—there should be an overall exemption of \$25. He claims that the loss of revenue to the government, if his plan is adopted, will be about \$35 million. I may say, Mr. Speaker, that according to my calculations this is a very conservative estimate indeed. The loss would much more likely be about \$50 or \$60 million. But, regardless—

Interjections by hon. members.

Mr. Bryden: The hon. leader of the Opposition need not get so alarmed. What I am going to say is that, regardless of whose figure is right, I submit to him that he has a clear responsibility to say how the difference in revenue is to be made up.

Mr. A. J. Reaume (Essex North): He did.

Mr. Bryden: In view of the sad state of the province's finances I would be very surprised—he frequently surprises me—but I would be very surprised if he is prepared to argue that the government does not need the \$35 million or \$50 million, or whatever the correct figure is, which would be lost under his plan. He has been strangely silent on the question of where the money is to come from. If the plan of the hon. leader of the Opposition is adopted, there will still be a tax on such items as automobiles, most furniture, many electrical appliances, much clothing, and most other durable consumers' goods. And it should be noted, Mr. Speaker, that in

this day and age most of these items are necessities. They are not luxuries just because they cost a lot of money; they are necessities, even more so than many of the items which would escape the tax if the \$25 exemption were introduced.

Earlier in this debate the hon. member for Essex North (Mr. Reaume), whom I hear chirping up now, delivered a long, windy harangue which was notable as much for its lack of content as it was for its sound of fury. Yet, throughout his entire speech he did not once mention the sales tax.

Mr. Speaker, I think this House and the people of the province are entitled to an explanation from the hon. member for Essex North as to why he is in favour of continuing the sales tax on automobiles.

Mr. Reaume: Even though they are made in the old country.

Mr. Bryden: It is only a relatively short time ago that we managed to get rid of a federal sales tax on automobiles, which was imposed by a Liberal government down in Ottawa. Now the provincial government has restored that tax, in part, through its provincial sales tax and apparently the hon. member for Essex North thinks that is all right.

Interjections by hon. members.

Mr. Bryden: As far as our group is concerned, we have always set forth quite specifically the alternative sources of revenue which, in our opinion, the government should rely on in preference to the sales tax. We have done so again in our sub-amendment which itemizes these alternative sources as corporation and income taxes, revenues from natural resources and a weight-distance tax.

Interjections by hon. members.

Mr. Bryden: After the storm subsides, Mr. Speaker, I will proceed to explain these matters for the enlightenment of those who are capable of enlightenment.

I would like first to deal with the weight-distance tax on large highway transports. Some years ago the select committee on toll roads of this Legislature—that was before my time, but I have read the committee's report—discovered that, in California, four per cent of the highway users were responsible for 52 per cent of highway construction and maintenance costs. I will agree: that was in California, and it is quite likely that the situation in Ontario is not as extreme as that. However, there cannot be any doubt at all that a

small percentage of large vehicles is responsible for a very large percentage of highway costs in this province. In our opinion the owners of those vehicles ought to pay something approaching a fair share of the cost which they cause. This could be accomplished through a weight-distance tax.

Secondly, there is the question of revenues from natural resources. For some reason or other this always seems to be a very, very sore point for the hon. members to my right—and I use the word "right" advisedly. They weep bitter tears for companies like Abitibi and International Nickel. Notwithstanding the fact that this always seems to agitate them, I wish to make just a few comments about revenues from natural resources, because at the present time they constitute a picayune percentage of the budget of this province. It is very small, I would think it not more than three per cent.

In fact, the total revenues received from the mines profits tax, the timber dues and so on, taken together are not very much greater than the money that the government spends in servicing the mining and forest industries—so that the companies which exploit the natural resources belonging to the people of the province, are getting these resources for close to nothing.

Interjections by hon. members.

Mr. Speaker: Order! I would expressly ask that hon. members—especially when they are between the member who is speaking and the Speaker's chair—remain quiet so the Speaker can hear what is going on. I would appreciate it very much if the hon. members would give the same attention to the present speaker as has been given to other speakers.

Mr. Bryden: Now, Mr. Speaker, there is no reason whatever why these companies should get their raw materials for nothing. Great fortunes have been made, and are being made, out of Ontario's natural resources and I am going to quote one or two examples again to refresh the memories of hon. members to my right—although, last year, when I quoted from authoritative documents, they denied even the existence of the documents. I will refer the House to the latest issue of the *Financial Post* Survey of Industries, the 1961 issue, which showed that in 1960 Abitibi made \$22 million before taxes and \$12 million after taxes.

Mr. R. M. Whicher (Bruce): They gained 3.25 per cent on their investment.

Mr. Bryden: I quoted both figures, Mr. Speaker, but I think that, in this particular case, the figure before taxes is the relevant one because, if we increase our rates in one form or another, the companies will be able to charge that up against their federal income tax; so it would come out of the \$22 million rather than out of the \$12 million. Minnesota and Ontario, to quote another example, made \$12 million before taxes and \$6 million after taxes; I could quote a great many more examples. I will not do that, but I will quote one in the mining field—the great octopus in that field—the International Nickel Company, which in 1959, the last year for which figures are available, made \$144 million before taxes and \$85 million after taxes. And our Liberal friends are trying to tell me that a company like that cannot afford to pay more for the irreplaceable raw materials that it takes out of the ground, raw materials which belong to the people of this province. In my submission they can afford to pay a fair price for the resources they are using and I think they ought to pay it.

Our third proposal, Mr. Speaker, is that—

An hon. member: Do not confuse them with facts.

Mr. Bryden: I think I have cited some facts but these gentlemen hate to face facts. It is impossible for them to face facts because, if they did, all their preconceptions and prejudices would be knocked into a cocked hat and they would be left naked with nothing to clothe themselves with.

My third proposal, Mr. Speaker, is that we should rely on corporation and income taxes in preference to a sales tax. One reason, of course, is that these taxes are much fairer. It is apparently, a very amusing proposition to the hon. leader of the Opposition to see a fellow, who makes perhaps \$3,000 or \$3,500 a year, having to pay, shall we say, \$200 or \$150 tax on an automobile which he needs in a city of this kind, to get back and forth to work. The hon. leader of the Opposition considers that a matter of amusement; I do not; I consider it a serious matter and I would suggest that a fairer alternative is the corporation and income tax. My reason, of course, is that these taxes are much fairer because they result in the money being raised from the people who have it.

In making this proposal, Mr. Speaker, I do so in full awareness that at the present time there is a high-powered propaganda campaign going on in this country to convince the public that corporations and wealthy

individuals are already being taxed too heavily. I may say that the most receptive victims of this propaganda appear to be the gentlemen on the Liberal benches in this House.

The theory—if one could call it that—behind this propaganda, is that the rich people and the corporations are the people who undertake most of the country's investments. If they have ample funds available they will invest these funds in employment-creating opportunities—or so we will believe, if we are gullible enough to believe everything we are told.

It was even suggested—not very long ago—in very prominent places, that the relatively few progressive elements which now exist in the country's tax structure should be eliminated, which would mean a further shift in the tax burden from the rich to the poor. It has always struck me as curious, Mr. Speaker, that whenever our country is faced with problems of any kind, the rich always contrive to discover—and to hire all sorts of people who will repeat their discovery for them—that a sure-fire solution to the problem is to make the poor tighten their belts. That is the sort of proposal we hear being seriously made in this country at the present time.

An examination of the national accounts of the Dominion Bureau of Statistics shows how little substance there actually is in this argument. First of all, I would like to refer to tables 38, 39 and 40 of the accounts for 1960. From these one can discover that, at the absolute outside, only about 40 per cent of the tax revenue currently being raised in Canada by all levels of government—

Mr. Whicher: The hon member is giving Mr. E. P. Taylor's speech of a month ago.

Mr. Bryden: Well, I will say that Mr. E. P. Taylor, who is certainly one of the distinguished citizens of this country, has made some speeches that are worth listening to—as distinguished from the speeches made by the hon. member for Bruce (Mr. Whicher).

I was trying to indicate, Mr. Speaker, that not more than 40 per cent of the tax revenue of this country—taking all levels of government—is, at the present time, raised by taxes that could in any sense of the world be described as progressive. All the remainder—at least 60 per cent—is raised by taxes that are regressive in varying degrees. And this, I might mention, was before the Ontario sales tax came into effect, so that the situation is even worse now. The result is that the less wealthy are already carrying an undue

proportion of the tax load of this country. If one looks at tables 50 and 51 of the national accounts, one discovers that the old argument—about leaving surpluses for the big boys so that they can invest—has really not got anything in it at all. There is no shortage of investment funds in private hands in Canada at the present time. In 1960 undistributed corporation profits plus capital consumption allowances, not including bad debt allowances, totalled \$4.6 billion, as compared with \$3.9 billion in 1955. Most private investment comes from those sources, from undistributed profits and more particularly from capital consumption allowances which these fellows are allowed to claim under the corporation tax laws.

The problem, Mr. Speaker, is that Ontario and Canada are suffering, not from a shortage of investment funds, but from excess capacity in the private sector. Our problem is that there are not enough buyers for the goods that we can already produce; existing plants are not being used to capacity. In other words, we are suffering from inadequate consumption. In such a situation there is no advantage to be gained by making funds available for private investment.

What is the point of making funds available for private investment that will not be used anyway? It does not matter how much money you put into the hands of a corporation or an individual; he is not going to invest it if he has any sense at all, unless he can see some reasonable opportunity of selling the output of the plant and equipment in which he would expect to invest. There is no need, Mr. Speaker, to worry about the investment—certainly not about investment in the private sector. The urgent need is to increase consumption. And we certainly will not do that by leaving excess funds—as in the current situation—in the hands of the wealthy. They already have all the goods and services they want. We should be improving the position of the less wealthy.

Mr. Reaume: Socialism at its best.

Mr. Bryden: If that is socialism at its best then I am happy to support socialism.

Interjections by hon. members.

Mr. Speaker: Order! I would appeal to the better sense of hon. members to give speakers in this debate full opportunity to speak. Now, I have noticed at times that members ask the Speaker to call for order on their behalf. When I am calling order, I wish hon. members would listen to the Speaker and allow the member who has the floor to proceed.

Mr. Whicher: But, Mr. Speaker, it makes me so sick to have to listen.

Mr. T. D. Thomas (Oshawa): Well, how does the hon. member think we feel when he is speaking?

Mr. Bryden: I have never known of any law of this country, or any rule of this House, that requires anyone to listen, Mr. Speaker, but I must say that I always admire my Liberal friends and the way they torture themselves by sitting listening carefully when they are having commonsense expounded to them. That is real torture to them, I admit.

I was saying, Mr. Speaker, that I am happy to identify myself with any cause—regardless of how it may be described—which has as its objective, to improve the position of the less wealthy. At this particular time, it is a particularly urgent objective because, if we are trying to increase consumption as we should be, we should consider the people who have the lesser amounts of money. They are the people who, if they had more purchasing power in their hands, would spend more; they would buy more goods.

They are already spending up to the limits of their incomes without fully satisfying their wants, and I have no doubt, if we devise ways of making more money available to them, they would spend that too, with a beneficial effect on the whole economy. We could improve their position either by easing the tax burden on them or by improving social services—or both.

I would not care which approach the government took; a combination of both would perhaps be best. But, unfortunately, the government will not take either position. In fact, it has taken exactly the opposite approach. It has reduced the purchasing power of the small consumer by creating a three per cent increase in the price of most of the goods he buys. Since he is already spending all the money he has, he can pay this tax only in one way—by reducing his spending, reducing his purchases. That means idle capacity and idle workers.

I quite realize that the wealthy also have to pay the sales tax, but let us remember, Mr. Speaker, that the impact on them is very much less severe than on the small fellow.

Expenditures on taxable items use up a very large percentage of the income of a man making, say, \$3,000 a year. They account for a very small proportion of the income of the person making \$20,000 a year, so that the fellow making \$3,000, who is just struggling to get along, has to pay—relatively speaking—much higher tax than the rich man.

What is even more important, from an economic point of view is that the sales tax does not significantly affect the excess accumulations of wealth of large corporations and rich individuals which have been plaguing us, over the past few years. If the economy is to grow and prosper, we have to get this excess wealth to work, Mr. Speaker, either in investment on social capital or extension of social services. We cannot carry on with unused capacity and expect that we are going to have sound economic growth.

Therefore, attempts to shift the tax burden from the rich to the poor—of which the Ontario retail sales tax is an outstanding example—are not only socially unjust, they are economically insane. They discourage growth and intensify chronic unemployment.

Anyone who looks around at the situation we have in this province and in this country today can hardly deny that, at least, a situation of low growth and chronic unemployment exists. It certainly is not entirely due to the sales tax; it was building up long before the sales tax came in; but the sales tax is contributing to it, and, in my opinion, is a totally wrong policy for that reason.

Now then, some of the hon. members have been nattering away about the province of Saskatchewan. I put my submission for the moment on a somewhat broader basis than that. I would refer to the fact that most other provinces in Canada have a sales tax; I am quite aware of that fact. But I am also aware of the fact—as some of the other hon. members do not seem to be—that most other provinces are not in the same position as Ontario. This province has been blessed with very great natural advantages and I think we should use those natural advantages for the benefit of all the people, not just groups that finance the government's election campaigns.

Mr. Whicher: How much do they tax corporations in Saskatchewan? More than we do?

Mr. Bryden: As a matter of fact, their returns in Saskatchewan from natural resources are five times as great as the returns in this province from similar resources. A combination of constitutional limitations and economic limitations leaves most provinces with a very narrow tax base and therefore with very little freedom to choose among alternative sources of revenue. When a province has exhausted the possibilities of other taxes, as many of the other provinces have, there is no option but to impose a sales tax. And this is particularly true, Mr. Speaker, when the province concerned is engaged in a

broad forward-looking programme of social progress as is the case with the province of Saskatchewan.

If the government of Ontario had exhausted all the possibilities of raising money by more progressive methods, and if it came before this House with bold new programmes, such as a health insurance programme, for example—perhaps the hon. Minister will have something to say on that later, I do not know—but if it came forward with programmes of that kind, as far as my hon. colleagues are concerned, we would be quite prepared to take another look at the sales tax. But the government has not done either of these things.

There are still substantial revenue sources available to it, which have not been exploited to the full, and it certainly has no new programmes of any kind in mind if the speech from the Throne is any indication. The most notable feature of that speech, I would say, was its sterility of ideas. Under the circumstances, Mr. Speaker, the case for the repeal of the sales tax is overwhelming. I submit that the government ought to repeal this tax as soon as the necessary alternative revenue measures can be introduced.

I see some of the hon. members of the Cabinet laughing at this suggestion. I will add that I am not so naïve as to think that reason and commonsense are likely to have much effect on this government.

Hon. G. C. Wardrope (Minister of Mines): We are delighted to have the hon. member give us these suggestions.

Mr. Bryden: I would be delighted if the government would adopt the suggestion because even the hon. Minister of Mines (Mr. Wardrope) will have to agree that it is a very sensible and reasonable suggestion, and one that the government should have paid attention to long ago. I would be quite happy if they would adopt it now.

Just in case the hon. Minister of Mines is not speaking for the government at this point, and in case the government does not decide to repeal the sales tax, I would urge that it should at least straighten out some of the most burdensome and annoying features of this tax. It is perfectly ridiculous, for example—and I would like to see any hon. member opposite defend this—that Canadian Legion branches should have had to pay sales tax on their poppies and wreaths on November 11.

If the hon. Minister of Mines is prepared to defend that proposition, I certainly would

like to hear what he has to say about it. I suggest that something should be done about that particular case. I think there is also a case for removing the tax from certain essentials, such as soap. Above all, if we are going to continue with this tax under this unenlightened administration, surely something should be done to relieve the incredible burden that has been imposed on the small storekeeper and small restaurant operator.

Hon. A. Grossman (Minister without Portfolio): What do they do in Saskatchewan?

Mr. Bryden: I will come to that in a minute. I think the best way of demonstrating the kind of problem that these people are up against—and after all, they are very small men and women with very limited incomes—is to cite the experience of a man who operates a small variety store on Gerrard Street East in Toronto. This man estimates that it takes him on an average about one hour per evening—around 25 hours a month—to do all the record-keeping, bookkeeping and form-filling which the sales tax division requires him to do.

He showed me his tax remittance form for the month of October, 1961; the total amount of tax that he was required to remit as shown on the form for that month was \$32.47. Out of this amount he was permitted to retain two per cent, or the munificent sum of 64 cents, as compensation for his month's services in collecting and accounting for the tax. Moreover, the 64 cents was not entirely clear because he had to pay for a stamp and for a money order to send the remittance to the government. By the time he worked it out, this fellow was being compensated at the rate of somewhere between one and two cents an hour for his job as a tax collector for the government. I would suggest to hon. members that this is far from an isolated case. I think every one of them knows of countless similar examples.

I think it is time, Mr. Speaker, that The Department of the Provincial Treasurer got over its pedantic insistence that the small merchant, in particular, has to account for every copper, when his volume of business is so small that he cannot possibly afford to put in accounting machines or even a very elaborate cash register. It should be sufficient

for him to keep track of his total sales and collections and make his remittances on that basis. If the hon. Minister without Portfolio (Mr. Grossman) had taken the trouble to read Professor Due's book on the sales tax, he would find that the procedure is common, not only in Saskatchewan, but in most jurisdictions where there is a sales tax in effect. If the returns, which the man submits, persistently appear to be unreasonable, then certainly there would have to be a further check; but in the main this procedure should be sufficient to ensure that the government gets most of the revenue it is entitled to. If a few pennies slip through its fingers, surely that is a very small loss in relation to the very large inconvenience that it has imposed on this multitude of small merchants.

In conclusion, Mr. Speaker, I would like to reiterate that, even though I have made some suggestions for improving the administration of the sales tax, I am certainly not in favour of that tax in this province at this time. I submit that no amount of tinkering with the administration will make the tax acceptable; it ought to be repealed, and I suggest to hon. members of this House that in fairness and commonsense they should support our amendment—not the namby-pamby main amendment to the motion—but our amendment calling for the outright repeal of this tax and its replacement by fairer methods of raising revenue which are still available to the government. Thank you very much.

Mr. J. A. C. Auld (Leeds) moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, before moving the adjournment of the House, I would like to announce that tomorrow we will go on with some of the second readings on the order paper. I would draw to the attention of the hon. members that the estimates for The Department of Insurance have been tabled, and they could be called tomorrow or Thursday.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11.15 o'clock, p.m.





Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Wednesday, December 13, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, DECEMBER 13, 1961

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. R. K. McNeil from the standing committee on agriculture presented the committee's first report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill No. 48, An Act to amend The Milk Industry Act.

Hon. J. N. Allan presents the second interim report of the select committee appointed on April 12, 1960, and re-appointed on March 21, 1961, to examine, investigate, inquire into, study and report on all matters relating to compensation of persons who suffer financial loss or injury as a result of motor vehicle accidents, and moves, seconded by hon. J. P. Robarts, that the committee be re-appointed and continue with the same membership and with the same powers and duties as heretofore; also, that the said committee be authorized to sit during the Christmas-New Year adjournment of this session, and that the same allowances for expenses to the chairman and members thereof be payable for such meetings as are provided by section 65 of The Legislative Assembly Act, R.S.O. 1960, chapter 308, for meetings held during the interval between sessions.

Mr. V. M. Singer (York Centre): Mr. Speaker, I would like to find out whether debate can take place on this motion at this time, which would involve not only the contents of the motion but the contents of the report, or whether this will be put on the order paper and debated at another time.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I have no intention of debating it today.

Mr. Singer: Then, Mr. Speaker, can we hold this motion over until the proper time arises when it can be debated?

Hon. Mr. Robarts: Well, Mr. Speaker, it may be that it will not be debated until we adjourn, and part of the motion is to permit the committee to sit in the interim. I suggest that the motion carry as it is and we will arrange to have it debated in due course.

Mr. Singer: Mr. Speaker, it would be my submission that this motion involves acceptance of the interim report. One of the recommendations in the report is that the committee be allowed to sit again, so that this motion to my mind certainly involves an acceptance of the interim report. I do not think the report should be accepted until an opportunity is given for debate, because it is a most important issue.

Mr. D. C. MacDonald (York South): Mr. Speaker, as I understand the motion, it is to accept this report and to reconstitute the committee. Surely the situation at the moment can be met if the hon. Prime Minister (Mr. Robarts) will indicate that this item will be put on the order paper for debate at a subsequent time.

Hon. Mr. Robarts: Mr. Speaker, if that is the only assurance that is required, I have no intention of stopping the debate, any debate that may be necessary or discussion of this report. But I just cannot give an undertaking that I will do it before we meet after the interval, that is all.

Mr. MacDonald: But does the hon. Prime Minister propose to put it on the order paper?

Hon. Mr. Robarts: I will undertake to put it on the order paper.

Mr. Singer: That is quite satisfactory.

Mr. Speaker: The report is being presented in the same way that all reports are being presented and the motion is that the committee be re-appointed and continue with the same membership as heretofore.

Mr. R. M. Whicher (Bruce): Mr. Speaker, I wonder if I could ask the hon. Provincial Treasurer (Mr. Allan) a question? As I understood it, it is necessary that we have some debate on this in order that the government, if they accept the wishes of the committee, would implement this suggestion of \$20 for the uninsured driver. I understood, that would have to come before the Legislature before the government might put that into force on January 1, 1962.

Mr. N. Davison (Hamilton East): That is practically the same question as I have. Some of the recommendations here are supposed to take effect by January, 1962. If we do not get an opportunity to debate this before that time, will these recommendations go into effect?

Hon. Mr. Robarts: Mr. Speaker, I have not had an opportunity of reading this interim report, but I will look at it and take whatever action the government considers necessary. But I cannot undertake that I will carry out all the recommendations that may be in this report because I have not read it. It has just been tabled here today.

Motion agreed to.

Mr. Speaker: Motions.

Introduction of bills.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the orders of the day I have a question of the hon. Prime Minister (Mr. Robarts).

Will the commissioner of the Royal commission on crime—

Excuse me, Mr. Speaker, I did send this question to the office of the hon. Prime Minister, I am not sure whether he received it.

Mr. Speaker, will the commissioner of the Royal commission on crime be empowered to appoint a chief counsel to assist him?

Hon. Mr. Robarts: Shall I take these one at a time?

Mr. Wintermeyer: It is immaterial. There are four questions and they are all related to the same subject, Mr. Speaker, and I can read all four. The one that I read, of course, is the first question.

The second question: will the commissioner of the Royal commission on crime be empowered to appoint a staff of investigators to assist him in gathering information on the subject of organized crime?

Three: do the terms of reference of the Royal commission on crime permit the commissioner to hold hearings *in camera* at his discretion?

Four: will the government assume the accounts of Opposition counsel to the Royal commission?

Hon. Mr. Robarts: The answer to the first question is that counsel will be appointed in consultation with the commissioner.

The answer to the second question is such staff as the commissioner considers necessary to carry out the terms of his commission will be provided.

The third question: the terms of reference to the Royal commission do not impose any limitation upon the right of a commissioner to conduct the investigations in any way he sees fit.

Question four: The government will assume the accounts of personnel whom the commissioner deems essential to be appointed, to assist him in his inquiry.

Mr. Singer: Mr. Speaker, I wonder if a supplementary question could be added to that: will an opportunity be given to persons to make representations well in advance of the commencement of the hearings along the lines indicated in the four questions?

Hon. Mr. Robarts: Mr. Speaker, the conduct of the Royal commission lies entirely within the hands of Mr. Justice Roach, who is a man of great experience in these matters. I am quite sure that he will arrange things in proper fashion to see that the inquiry is conducted in order that we may get to the truth of the matters which the commission was set up to investigate. I am not going to say he will or will not do anything. He is the man conducting the investigation. The terms of reference are broad and these matters will be in his discretion.

Mr. Speaker: Orders of the day.

THE DEPARTMENT OF LABOUR ACT

Hon. W. K. Warrender (Minister of Labour) moves second reading of Bill No. 39, An Act to amend The Department of Labour Act.

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, I should like to say a few words with respect to this bill. In the first place I intend to give notice now that when we are in the committee of the whole House I intend to move an amendment to the

bill and instead of calling it "The Ontario Safety Council" as was suggested in the bill, it is now proposed to be called "The Labour Safety Council of Ontario."

The reason for giving this notice is because I had representations made to me by the Ontario Safety League, which for many years has been conducting safety programmes in those fields outside of industrial safety. This Ontario Safety League was formed in 1913 and obtained a provincial charter in 1923. Since that time it has been carrying on in this safety field and doing a very fine job. It was therefore brought to my attention that if we call the new safety council the "Ontario Safety Council" there might be some confusion in the mind of the public as to which is which, especially since the Ontario Safety League has been carrying on for so long in its field. That is why I propose the change and give notice now. Suggestions for the amendment will be made in the committee of the whole House.

I think everyone understands the bill, which I think is self-explanatory. This morning I had the opportunity to meet with Mr. David Archer and Mr. Douglas Hamilton of the Ontario Federation of Labour. We went over the principles of the bill, I even suggested to them what was proposed by way of changing the name. They have given me permission to say that they are in accord with the principle, have given me permission also to use their names, and to say that they are willing to co-operate fully with the department in implementing this particular suggestion that is now before the House in the form of an amendment to The Department of Labour Act.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, I believe this is the place where I would raise the question of tabling this report in the Legislature.

I have read carefully the report of the commission on industrial safety and I note that included in the recommendations of that commission is that this should be tabled in the Legislature. I would point out to the hon. Minister that unless this report is tabled in the Legislature, hon. members will be in no position to know whether or not the recommendations are being followed.

I note that as a result of the McAndrew report, several of the suggestions which were made in that report are the same suggestions which were made in the tabling of the Roach report some years ago. Many of those matters have not yet been carried out. I feel that

there is considerable advantage to be gained in having this report tabled in the Legislature so that all of the hon. members will be aware of the recommendations. I feel that safety is a matter which is everybody's business. I think that the hon. members of this Legislature are entitled to some assurances that these reports, these recommendations, or whatever may be coming from this council which is being set up by the hon. Minister, will be available to the Legislature so that the hon. members of this Legislature will be in a position to determine whether or not these affairs are being carried out as they should be. I very much regret that the hon. Minister has not availed himself of all the recommendations and has left out this very important part of the recommendations in this bill.

Mr. K. Bryden (Woodbine): Mr. Speaker, I would like to make some comments on this bill now that the principle of it is before us. I would like to comment on it in relation to the recommendations of the Royal Commission on Industrial Safety.

The reason I think it is important that we should study it in relation to those recommendations is that the hon. Minister in his statement on first reading of the bill indicated that in his opinion this bill—I am not now quoting, but I think I am summarizing fairly accurately—this bill carried out what the hon. Minister considered to be the most important recommendation of the commission.

I would like to suggest to this House, Mr. Speaker, that this bill does not really carry out the recommendation of the commission on this point at all. I think it is appropriate that the name "Ontario Safety Council" should be changed to another name, not particularly for the reason that the hon. Minister has given, but because it is desirable that no one should confuse the body which it is proposed should be set up in this bill with the body which the Royal commission recommended. I would like to read some extracts from the commission's report in regards to what it described as the proposed Ontario Safety Council. On page 27 of the report it states:

Upon establishment the Ontario Safety Council may conduct a continuing—
and I emphasize the word "continuing":

—a continuing study of all legislation and regulations pertaining to accidents and prevention, industrial health and hygiene, safety standards, inspection and enforcement and make recommendations for legislative amendments.

The advantages of implementing this recommendation are many. In a rapidly growing industrial technology such as ours, one of the functions of the council would be to determine that safety legislation is being continually reviewed and modernized.

As the present inquiry has determined, administrative branches of government are often reluctant to disturb the *status quo*—

I would like to repeat that:

—administrative branches of government are often reluctant to disturb the *status quo*, as the result of which the Acts and regulations for the protection of workers become archaic and outmoded. The very existence of a safety council would do much to overcome the complacency towards the adequacy of existing legislation and its enforcement.

Then a little further on it says:

The commission proposes that recommendations by the safety council be (a) made directly to the appropriate Minister and (b) that the annual report of the safety council be tabled in the Legislature.

Mr. Speaker, when we compare the extracts I have read from the report with the relevant portions of the bill, we find a very significant difference in the bill.

The proposed subsection 5 of the proposed new section 9 (a) reads as follows:

It is the function of the Ontario Safety Council upon the request of the Minister—

Notice the limitation on the functions of the Council.

It is the function of the Ontario Safety Council upon the request of the hon. Minister to inquire into and advise him upon any matter respecting the safety of workers—

And so on, and then to inquire into various specific things.

Now this limits the council, whatever its name may now be, to acting only if the Minister requests it to act. The commission emphasized the point that the council should carry on continuing studies of safety legislation and its adequacy in this province, which is a very different thing. Furthermore, the commission clearly suggests that the council would in a sense act as a sort of a watch dog upon the department.

Admittedly it would have no legislative powers, its powers would be purely advisory, but it would check upon what the department was doing, and the commission

stressed many times, including at this very point in its report, the tendency of the administrative branches of government to be reluctant to disturb the *status quo*—which is the language they use here.

It is quite clear that the commission considered it necessary that somebody, some outside, independent body, should keep prodding them along: they have become somewhat set in their ways, as I suppose is the tendency of all human beings. They have not kept up-to-date, they have allowed the legislation to become archaic and outmoded.

How can they perform that function, Mr. Speaker, if they are only allowed to operate if the administrative head asks them to operate? He is not going to ask them! At least there is no assurance that he will ask them to keep watch on the department as the commission recommended. He presumably would refer only specific problems to them. The council, instead of being a body continually operating, continually checking on the adequacy of standards and their enforcement, continually making recommendations for improvement, carrying on a general function, a month-in-month-out function, trying to improve safety legislation in this province and its administration and to improve safety education, is to be restricted to operate only when the Minister of Labour asks it to operate.

I submit to you, Mr. Speaker, that this is a change in the whole spirit of the Royal commission's recommendation. This recommendation is not being carried out at all. There is the further point, which my hon. friend from Wentworth (Mr. R. C. Edwards) pointed out, that the Royal commission specifically recommended that in addition to making recommendations to the Minister, the report of the safety council should be tabled in this Legislature, so that if the council discovers what it considers to be inadequacies in the administration of the legislation or in the nature of the legislation, more people than just those within the department will know about it.

How are we ever going to take any action to correct faults that the council may discover if they are retained merely within the narrow circle in the department? I would say, Mr. Speaker, that the previous history of this department indicates that a certain amount of publicity on its activities, or lack of activity, is very necessary. There is no doubt from what the Royal commission itself said that this department has gone to sleep, that it is very complacent, it is out of touch with

the realities of modern day technological conditions. That is quite obvious from the observation of many people and from the observation of this Royal commission.

Certainly there should be a way whereby this Legislature can discover what the council may recommend to the department. It should not have to rely merely on the department itself to reveal that information.

So on both those counts, Mr. Speaker, the bill really has nothing to do with the report of the Royal commission. It does not carry out the recommendation of the Royal commission in its spirit at all. It is, in my opinion, a typical half-way government measure designed to create the impression that something is being done when in fact practically nothing is being done.

The council which is being set up is being used as an excuse for stalling action on the other urgent matters, which I have referred to previously and will not deal with again, but which, as far as the Royal commission was concerned, were not in any way associated with the problem of setting up a safety council. It has been used as a stalling device and, finally, when we have the substance of the matter put before us, we find that the stalling device is not even the kind of agency with the broad dynamic powers, responsibilities and duties that were envisaged for it.

This council should carry on a continuing job to keep everybody alive to the problem of safety. As it stands now its responsibilities have been so completely emasculated that it could not possibly carry out the function that the commission envisaged. Indeed it is quite possible, depending on how the hon. Minister may act in the situation, that it may not be called upon to do anything at all. It will be simply another dead issue along with the many dead issues which have been buried by this government in the past.

I think it is regrettable that the government has not caught the spirit and vision of the Royal commission in the proposal that the commission has made and that it has come in with the half-baked proposal contained in this bill. I would suggest to the hon. Minister that between now and the committee stage of the bill he might consider some other amendments. Certainly he should consider the amendment suggested by the hon. member for Wentworth, that an annual report of the council should be tabled in this Legislature so that we will know if it has had an opportunity to do the job envisaged for it and so we will know just how the department has

reacted to its recommendations. That much surely should be done.

I would suggest further that the terms of reference set forth in subsection five should not be limited to activity only on the request of the Minister. The council should meet regularly as is suggested by the Royal commission. It should certainly deal with matters referred to it by the Minister, but it should deal also with matters which appear to be of public importance referred to it by other parties. Only in that way will we get the benefit of the kind of body which was proposed by the Royal commission.

I would suggest to the hon. Minister that he seriously consider revising this bill before it comes to committee.

Mr. V. M. Singer (York Centre): Mr. Speaker, I want to say a few words about this bill.

Preparing for this, I have had a chance to re-examine the remarks of the hon. Minister made on December 7. Reading his remarks and his glowing references to the task done by His Honour Judge McAndrew and the other commissioners, this bill seems a very small answer.

There are over 100 various recommendations that the commission brought forward and I think each one of them is deserving of very intelligent review and attention. Our hon. colleague from Wentworth (Mr. R. C. Edwards) has documented these and I understand he will be dealing with them at a later date.

But again, Mr. Speaker, as you refer to the hon. Minister's remarks on December 7, he comes down about half-way through his remarks when he is introducing the bill and says:

We have responded, we have responded to the challenge put forward by the commission with the introduction of this bill.

I cannot help but agree with the hon. member for Woodbine (Mr. Bryden) that the government in introducing this bill, and tying the bill in with the hon. Minister's remarks, is emasculating the report and parking it on the shelf where it is never again going to see the light of day.

Mr. Speaker, if the government is serious about doing anything about industrial safety it would have brought in a package series of amendments to legislation, new statutes if they were necessary, and certainly more amendments to this Act.

Here are just a few of the recommendations in this report, and the government has not

even looked at them, has not even nibbled at the real challenge put forward by the report. Safety council on page 3:

That an accident prevention association be established under The Workmen's Compensation Act to operate under the jurisdiction of the Workmen's Compensation Board—that the commission recommends the establishment of management-labour safety committees at plant levels—licensing of contractors at provincial levels. The report recommends that all Acts, such as The Trench Excavators Act and the regulations, and The Building Trades Protection Act, be amended to provide expressly that the department shall have the duty and power to provide enforcement by local authorities within the scope of their authority.

These are only five, as I say, of almost a hundred different recommendations that have been made, and the hon. Minister says: "We have responded with this bill." So he sets up another advisory committee that is going to whisper in his ear. What they are going to whisper we will never know, and he says, "We have responded to this challenging report."

Mr. Speaker, I say that this government, if this is the only way it can approach a challenging report of this type, should be thoroughly ashamed of itself. The actions of this government speak louder than the speeches of the hon. Minister. He has not accepted the challenge; he refuses to do anything about safety in Ontario, and the people of Ontario should know about this.

Mr. J. Trotter (Parkdale): If I may, I would just like to add a few remarks to those of my hon. colleague in regard to this bill.

I had occasion of recent date to see in some detail just how little The Department of Labour has done in the last 18 years in regard to safety of workers. I think in my own riding three people were killed in about as many days and two of them died as a result of going down into a sewer.

Hon. C. Daley (Minister without Portfolio): As the hon. member knows from the statistics, Ontario is the safest place to work, in spite of all the tremendous activity.

Mr. Trotter: With all due respect, the McAndrew report is a shocking indictment of the poor administration that this government has been giving in regard to labour safety, to say nothing of a good many other things.

It was certainly brought home to me, Mr. Speaker, when I went to a coroner's inquest and followed through just what had happened

in the death of one of the men who went down in the sewer on the Fred Gardiner Expressway. I found that here in the province The Department of Labour does nothing, the city of Toronto has no regulations, the harbour commissioners have no protection, for the men.

I would say that on the overall picture it is the duty, it is the urgent duty, of this department to see to it that these men who are doing dangerous work should have at least some protection, that their lives are not sacrificed. No matter how thorough the coroner's inquest seems to be they almost always come out with the view that it was an accident; it was nobody's fault.

But certainly in the case of this man Amero who lost his life just about two or three months ago in a sewer construction on the Gardiner Expressway—incidentally, a man who did land surveying was sent into the sewer—no precautions were taken whatsoever, and as a result not only Amero but one other man lost his life. If this government were on the job they would at least have some regulation on this matter.

This bill before us is good as far as it goes, but I feel that it is just another opportunity for the government to throw up a screen, to give the impression that it is doing something, that it is taking an interest, but in effect it is doing absolutely nothing. This advisory council does not have to be called unless the hon. Minister asks, and at the rate the hon. Minister asks or tries to move to have anything done in this province, I suggest that this safety council will be of little use.

I hope I am wrong, but it still depends upon the energy of the government, and the government is completely lacking in energy, especially in this field.

I find that when one goes into the homes where men have died, where one meets the widow and the children—in this particular case I mentioned, the widow gets \$75 a month for the rest of her life and she will be allowed \$25 for each child. This sum is mighty small and certainly this accident could have been avoided had this government been on the job, if it had not been such a decayed, decrepit, old age government, 18 years in power.

The former hon. Minister of Labour (Mr. Daley) smiles, but the McAndrew report shows that literally hundreds of men have died needlessly simply because we did not have proper regulations, and this government is making no attempt to bring in proper regulations. I suggest that even though in

principle I go along with this bill, it is a smoke screen to cover up the sins and the omissions of the government over the last number of years.

Mr. D. C. MacDonald (York South): Mr. Speaker, today's papers carry the news that yesterday still another workman was killed in an accident in Picton. There have been something like 24 or 25 in the Metro area; all across the province, it would be interesting to know what the full statistics are.

Now, there is no doubt, Mr. Speaker, that if one wants to be kind the best one can say is that this is a feeble step forward. It is a step that is hampered by the key fact that the committee can operate only when the hon. Minister asks it, when the record of this department is that the hon. Minister will act rarely. In fact this department is smug and complacent with regard to its whole approach.

This attitude permeates the whole of the department. If the present hon. Minister is going to change, we will see this and we will believe it only when we have seen it, because this attitude permeates the whole of the department.

I want to suggest, Mr. Speaker, that this is a hopelessly inadequate response to the McAndrew report. Therefore I move, seconded by Mr. Bryden, that the motion be amended by striking out all the words after the word "that" and substituting:

This House regrets the inadequacy of the government's programme of industrial safety.

Hon. Mr. Warrender: Mr. Speaker, may I say a few words in reply to the rather feeble charges that have been levelled against my department. Never before have I seen safety played with so politically as I have seen today. It is quite obvious that they do not want to give us a chance to get on with the job, they would rather make a little political hay out of it.

In reply to some of the charges made, may I say there is nothing in the bill to suggest that the activities of this council are to be terminated at any time. It is my hope it will carry on for many years and do a good job. It would be presumptuous, I think, on my part to have brought in amendments at this session anticipating what the council might or might not do, having in mind the type of person we hope to have on this safety council.

As for continuing studies: certainly the council will be expected to carry on con-

tinuing studies and this bill is drawn in the widest possible terms in spite of the way the Opposition has twisted it out of all recognition. It is the function of the Labour Safety Council of Ontario, as it will be known, upon the request of the Minister to inquire into and advise him upon any matter which threatens the safety of workers, and then it goes on to say without respecting the generality of the foregoing it will do so and so.

Now, Mr. Speaker, whether the hon. members of the House want to take my word for it or not, it is my intention to request this council, when it is set up, and I expect it will be set up forthwith, to inquire into all of these safety measures just as soon as they can possibly get geared up and get at them.

Facilities will be made available to the council to sit down in the Labour Department building; adequate staff will be provided, whether secretarial, investigating or otherwise, because it is my clear desire to get into this problem immediately and to have the council come up with some of the advice that we think is necessary to provide good, reasonable safety legislation in this House.

Now, the suggestion that this is being set up as a smoke screen I find rather nauseating, although I am getting rather used to it after some of the diatribes I have heard from the other side. I want to assure the hon. members, those reasonable people who are willing to listen and take my assurances that we do mean business in this field, that the council is going to be set up. The personnel will be announced next week, and when they see the calibre of the person who is willing to act on this council, and without remuneration, I am convinced that they will know this is not just a smoke screen in order to cover up some recommendations made in the McAndrew report. I am convinced when they see the type of person who has allowed his name to stand for this particular council, that they will be delighted.

I have already discussed, not the names of the persons who will sit on the council, but I have indicated to both labour and management, and to accident-prevention association representatives the types of persons who are going to make up the complement here. They are delighted with the suggestions and also with the fact that we are getting on to what they consider the very nub of the McAndrew report. I think it would be presumptuous for me, Mr. Speaker, I would say, to have brought in a series of amendments at this session only to have said to the council: "Now here are these amendments, you deal

not only with the McAndrew report, but deal with these amendments"; and have them say to me: "If you had just waited, perhaps until we had reviewed the whole industrial safety picture, we would have brought in something else"; which would have been embarrassing, not only to them, but to ourselves.

There is going to be no delay, I want to assure the hon. members, Mr. Speaker, we are going to get on with the job.

Mr. MacDonald: Next year?

Hon. Mr. Warrender: It will be next year, yes. It will be next year, because this is almost the middle of December, it is bound to be next year. But I would say within a few months, I will put it that way, because after all this is a very large all-encompassing job. We should have some recommendations from this council which will help us decide what legislation is going to be brought before the House.

If the hon. members will just be patient, if they will not be too critical of the department, I think even they, unreasonable as they are at times, will agree that we are trying to do a job in this field.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, it may well be that the hon. Minister (Mr. Warrender) has every good intention of doing a proper job—and I am not going to question that—but I think it must be remembered that we are a Legislature and we are expected to judge and evaluate the significance of many pieces of legislation, not by the explanation given by the Minister but by the phraseology that is used in the legislation before us.

I suggest, Mr. Speaker, that those who have preceded me in this debate are absolutely right. I do not think they are attacking the hon. Minister personally. I think what they are saying is that the legislation as drafted leaves the initiative in this matter of safety to the hon. Minister and his personal direction. The McAndrew report, as I understand it, intended that the initiative be given by this Legislature directly to the safety council.

Now I think this Legislature has every right to say to the hon. Minister that he has had an opportunity to examine the McAndrew report, that he has had an opportunity to evaluate the situation and bring forth what legislation he feels will do the job. But in the legislation that he has proposed, I suggest that he has left the whole initiative in this matter to his personal dis-

cretion. Now this, I suggest, is a fatal flaw, and I think those who preceded me likewise are correct when they say that the report of the council will not be made to this Legislature but to The Department of Labour.

If this Legislature is to function as a supreme body, then surely the report must come back to the Legislature. I think for these reasons, Mr. Speaker, and without being vindictive—I do not think that is necessary—we of the Opposition have every right to say that this legislation falls short of the principles that have been enunciated and requested. We have every right, and I assure you, Mr. Speaker, that we of our party will support the resolution that has been proposed, because in principle I think the legislation as enunciated before us today falls short of the expectation and the intention of the McAndrew report.

Now if the hon. Minister wishes to correct these errors, and I think he is a reasonable man, he should admit that from our point of view we have no idea who the personnel will be, none in the world. They may be the most outstanding people, but we have no idea what his recommendations to the council are going to be.

Hon. Mr. Warrender: I have said what they are going to be.

Mr. Wintermeyer: Mr. Speaker, this is fine, but we are dealing objectively with a piece of legislation. Now I think it is the responsibility of the hon. Minister to so draft it that we can judge it objectively and on its merits and not merely on what he suggests he will do.

After all, it would be just as wise I think to come in and say: "I do not need any legislation, I am the Minister of Labour and I am going to do such and such." But the hon. Minister has taken the opportunity to present a bill and the bill itself, I must suggest, objectively falls short of the principle that was enunciated in the McAndrew report in two respects.

First, it leaves the whole initiative of safety to the Minister, and I speak of him in his official capacity; and it fails to report back to this Legislature, which I think has an inherent right to know of the progress which is being made.

For those reasons, Mr. Speaker, unless the hon. Minister is prepared now to amend the legislation, I want him to know that we will support the motion.

Mr. Bryden: Mr. Speaker, I would like to speak to the amendment that has been

proposed by the hon. leader of this party (Mr. MacDonald). I believe that the statement that the hon. Minister (Mr. Warrender) gave a couple of minutes ago is a full justification of the amendment that has been placed before the House.

It is an amendment, I may say, that we hesitated to put forward because we like to see any steps forward, no matter how hesitant they may be, in this very important matter. But the smug, complacent attitude of the hon. Minister, which is the very sort of attitude that the McAndrew commission complained about time after time in its report, indicates that the government really has no serious intention, as far as I can see, to proceed—

Hon. Mr. Warrender: The hon. member cannot see very far, that is obvious.

Mr. Bryden: Well, I can see far enough to know that the government has done nothing about this problem in two years. Let us just review the history of it, Mr. Speaker.

I will say two years, but it is certainly a lot longer than that, because we have had problems of construction safety for a long, long time. The more our province grows and construction work develops, the problem becomes more and more serious.

It is almost two years now, Mr. Speaker, since the Hogg's Hollow disaster, and that was only the culmination of a long series of disastrous occurrences involving men's lives. At that time the government refused to act; it set up a Royal commission because it said it wanted to know more about the matter.

The hon. Minister blandly tells us that he is not going to go off half-cocked and be presumptuous, to anticipate the safety council now. At that time it was the Royal commission.

Well, I would like to see him be presumptuous enough to try to protect men's lives. I do not think that is a presumption that we would blame him for. It was two years ago almost that they sloughed the whole problem off, took no remedial action at all, said that they were going to have a Royal commission to advise them and they would act after the Royal commission reported.

The Royal commission reported nearly two months ago and now they are going to have another body report to them on what the Royal commission reported to them on. I do not know how long this can go on, but in the meantime we still have the problem of men in danger every day of the week and particularly on construction jobs.

I would like to read another extract from the report. I have read it to this House before, but apparently it has not sunk in on the hon. Minister, so I will read it again:

Finally, the commission wishes to reiterate that a modern, well-enforced safety construction Act is vital to the safety of the hundreds of thousands of construction employees in Ontario and a need for such legislation is so urgent that we recommend such an Act be proclaimed at the earliest possible date.

Now there certainly was no suggestion there that we had to delay action, on construction safety at least, until after the safety council had been set up. Certainly the clear implication of that particular recommendation is that a construction safety Act should be proceeded with immediately. But the hon. Minister says: "No, we will wait until we can set up the council and let the council consider the matter and then after they have considered the matter and reported to me I will consider what I will do".

Judging from the way he put that, it would appear that he will not likely make up his mind until after the 1961-62 session of the Legislature has adjourned so we will have no construction safety Act for another year.

How long can this go on, Mr. Speaker? Certainly I am quite in favour of a council, I would like to see the council in the terms envisaged by the commission that would be much preferable to the truncated version of the hon. Minister, but this council should not be used as an excuse for delaying action on everything else. I think the hon. Minister's statement makes it abundantly clear that the government's whole approach to safety legislation is totally inadequate. For that reason I believe that the amendments should carry and that the government should come back with proper proposals.

I realize—and I know this is a very grave matter and that is what caused our hesitation—that our amendment, if carried, will defeat the bill. But I will say, Mr. Speaker, on behalf of this group, and I have no doubt on behalf of all members of this House, that we are ready to sit here until the government can come back with something proper.

Let us defeat this bill and then get proper legislation in. As far as I am concerned, and I am sure most other members are concerned, we will sit here until that legislation can be put into force. That is the proper course for the government. The time for stalling is long past. It is time we got action and something

was brought in approaching a proper safety programme with particular reference—I would state again—to this most urgent problem of construction safety.

Several hon. members: Hear, hear!

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, I would like to speak against the amendment if I may.

I have made it abundantly clear, I think, that it is my intention to request this council immediately to look into all matters respecting the safety of workers. One could not be much broader than that in his request.

In addition, sir, I can tell hon. members that one of the first requests I shall make to this council is to consider proposals for a new construction Act to take the place of The Building Trades Protection Act, which I hope will be repealed at that time. That is one constructive move that can and will be made.

It has been said a great deal of time has elapsed. It is two months since the report came in—

An hon. member: Eighteen years.

Hon. Mr. Warrender: One can say 18 years—throw these words around in order to colour the picture and work up a little bit of political hay. I appreciate there are some by-elections in the offing, but I resent very much using this forum for a political attack in the field of safety when we are earnestly and sincerely endeavouring to get on with the job.

Mr. Bryden: The hon. Minister is the only person who is playing politics.

Hon. Mr. Warrender: They can murmur all they like as far as I am concerned, the Act is going to stay just as it is, Mr. Speaker, and with that framework we will do a good job in the interests of the safety of the workers in the province.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, I am interested when an hon. Minister of the Crown in this parliament stands up and suggests that there is something very heinous about being political in these chambers. I do not know how we are supposed to approach the problems of government in a democracy if you do not use the party system and if you are non-political—

An hon. member: The hon. members would just agree with the hon. Minister all the time.

Mr. Thompson: I think that the hon. Minister would want either to silence or to suppress our party.

We have all been aware that there have been gaps in safety legislation when there have been these disasters taking place and men's lives lost. I could go dramatically into that but I do not want to. I just want to say that we know that the McAndrew report shows there has been a serious deficiency on the part of this government with respect to the protection of men's lives. I find it very hard to understand, when the government says it will set up a Royal commission in order to get the facts, and when the hon. Minister commends the Royal commission on what it has done, that he is now setting up a safety council or another committee to look at these facts. As the hon. member on my left (Mr. Bryden) asked, how many committees do you have? Will you have another committee to look at what this safety council has reported, and so on? I cannot help feeling that both the previous Minister of Labour (Mr. Daley) and the present hon. Minister (Mr. Warrender) must be fully aware of the very real emergency caused by the lack of safety regulations today and because of their lack of application.

I know that many other hon. members of the Liberal party have felt this way. May I recall my own feeling of grave necessity to do something for the people in my area because of the lack of safety? From my first speech in this House I have constantly been asking the hon. Minister of Labour to do certain things which are now being recommended by the McAndrew report. It would be very simple to do some of these things and would mean so much to the safety of the workers in this province. When the present hon. Minister of Labour was being asked about some of the recommendations of the McAndrew report—a report which he had commended—I asked him in this House about one of the recommendations and I was told that this would be given due consideration. It seems that the consideration is going to go on into the next year; a safety council is going to be set up to analyze the report of the commission which the hon. Minister has already praised. I would suggest, sir, that we all feel the necessity for the implementation of these recommendations. Many of us, who are close in our ridings to people who have to go to work under tough conditions, read in the papers of men who have been seriously hurt or killed because of lack of legislation. That need is underlined in the McAndrew report. We need these regulations.

Hon. Mr. Warrender: So is the council in the report.

Mr. Thompson: Yes, but surely there is an urgency here, Mr. Speaker. The Royal commission has exposed a serious lack of coverage for the people of this province—for the working people. If that is the case it is the duty of the people in this Legislature, this parliament, not to hold back the necessary legislation by making more and more committees. Rather, if necessary, we should stay here night after night in order to get the necessary regulations out. We on our side of the House feel the dire need for regulations. We appreciate the hon. Minister saying he is going to consider new regulations, but we feel that this should be done now—that he should have brought in this legislation after he had read the indictment of the McAndrew report. Therefore I would very strongly go along with what the other Opposition speakers have said and suggest that this shows a hesitancy—almost a reluctance—on the part of the government to move when it has been shown the real necessity to legislate for the safety of working people.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, I should like to speak to this amendment. I tried to keep my earlier comments brief because it was my understanding at that time that this was one phase in the adoption of the McAndrew report and criticized the manner in which this council was to be set up. Since that time, Mr. Speaker, as this debate has gone further I have been—to put it mildly—amazed at the most recent remarks of the hon. Minister (Mr. Warrender) when he stood up to defend this. In particular he said we could say what we like; the Act will remain as it is until this commission reports.

Now, Mr. Speaker, I suggest to the hon. Minister that he is entirely wrong. He is saying in effect: "I have no confidence in the McAndrew report, I am going to set up another committee to report on the McAndrew report."

I went through this report and made notes of the various recommendations which were made, Mr. Speaker. Some of them are very definite and very positive. I should like, if I might, to amplify this. I should like to read some of them. On page 76 of the McAndrew report it says very clearly:

That the commission recommends that the problem of enforcement of this Act should clearly state that the ultimate responsibility for its administration, enforcement, review and amendment lies with The Department of Labour.

An hon. member: Hear, hear.

Mr. R. C. Edwards: Now the hon. Minister is proposing to set up somebody else to review this situation when the report sets out—not only in one instance but in several instances—that the responsibility lies with The Department of Labour.

I have some sympathy for the hon. Minister because I realize he is a new Minister in this department. Nevertheless I think as an hon. Minister of the government he must take responsibility for the administration of this department through the years. I suggest to him that by starting up this new council, and in light of his remarks this afternoon, he has clearly indicated that he is not going to carry out these several recommendations of the McAndrew report until he has another report from another committee. I suggest to you, Mr. Speaker, that in taking this course of action, the hon. Minister is ignoring the McAndrew report and, as has been clearly set out this afternoon, we are going to be set back one, two or three years—I do not know how long—until a further commission reports.

Let me read some of these recommendations, Mr. Speaker. I submit to you, sir, that they should be carried out now, and that all the advisory councils in the world will not change the substance of some of them. It is the responsibility of the hon. Minister to carry them out and to show some action now. As I said earlier, when I originally criticized this Act it was my understanding that further legislation would be forthcoming in the present session. I am now enlightened by the hon. Minister's views that, no matter what is said here, no matter what is said he is not going to make any changes in this Act until the new committee reports. Let me read some of these recommendations.

Hon. Mr. Warrender: From what the hon. member said a little while ago, nothing would convince him.

Mr. R. C. Edwards: I have already said, Mr. Speaker, that the McAndrew report states on page 27, that this committee—speaking of the committee which the hon. Minister has set up today—is to make recommendations to the appropriate Minister in its annual report which will be tabled in the Legislature. In the very carrying out of this one recommendation, he is not even following the suggestion completely, but is setting up another camouflage. It will be impossible for members of this Legislature to know what is being done.

Let me go on:

The commission also feels that the Minister of Labour should have the power to suspend or cancel a certificate of competency by an inspector, including insurance inspectors, whose work is unsatisfactory.

No legislation is forthcoming to change that situation. We have had recommendations on it. What is the sense in setting up another committee to report on these definite recommendations? I suggest to you, Mr. Speaker, that it is the responsibility of the hon. Minister of Labour either to accept or reject these recommendations, but to do something with them.

Mr. Singer: He cannot do that because he cannot read them.

Hon. Mr. Warrender: I thank the hon. member. That was a very wise remark; just as puerile as some of his others.

Mr. R. C. Edwards: There are several recommendations, Mr. Speaker, upon which all the committees in the world cannot decide. There are several recommendations in the report that must be adopted or tossed out by the government and the hon. Minister of Labour. On page 31 there is a recommendation which suggests that the minimum penalty under the Act should be increased from \$25 to \$1,000. These are not recommendations that a committee can rule on. The decision must be made by the responsible Minister of the Crown and the government opposite.

It is unfair, Mr. Speaker, to say that all of these matters are going to be turned over to a committee which is not responsible to the people of this province. There is too much of a tendency opposite, I suggest, to turn these things over to boards and commissions, and to avoid the responsibility which rightly belongs to the elected representatives of the people.

The McAndrew commission feels that The Department of Labour must take responsibility for the enforcement of The Building Trades Protection Act as well as The Trench Excavators Act. These, again, are definite recommendations. Now the hon. Minister proposes he is going to set up a committee to tell him whether or not he should do it.

The commission recommends that municipalities be made responsible for the carrying out of the conditions of these two Acts. This is something that must be done from the government benches; it is not something that

should come in a recommendation from the committee. Again, on page 35, there is another suggestion as to the changes in the penalty.

Mr. Speaker, I think if any of us were to go through this report, there is recommendation upon recommendation which calls for action on the part of the government. It does not call for the setting up of more straw men that we can knock down. I suggest that if the government is going to set up Royal commissions—and then set up committees to investigate the recommendations of the Royal commissions—they are wasting the taxpayers' funds in setting up these commissions in the first place.

I think it is the responsibility of the government to give us some action. I am trying to be critical in a constructive way. I do not like to condemn the hon. Minister personally for the past, but I think I must condemn him, sir, for his lack of action in picking some sort of positive course as a result of the McAndrew commission which was set up in good faith. There is the report which all of us have read, and the report is very critical of the department. It is critical of the attitude of the enforcement officers in The Department of Labour, and now the government tells this Legislature that amendments are going to be put off for another year while they investigate the investigation.

I suggest, sir, that the thing is wrong. Originally I was prepared to go along with the recommendation but, in view of the remarks of the hon. Minister today, I do not see how any honest Opposition can do otherwise than criticize it very strongly and vote against it until something more positive is forthcoming.

Mr. Speaker: Hon. Mr. Warrender moves the second reading of Bill No. 39.

Mr. MacDonald moves the amendment that the motion be amended by striking out all the words after the word "that" and substituting, "This House regrets the inadequacy of the government's programme of industrial safety."

Will those hon. members in favour of the amendment say "aye."

As many as are opposed say "nay."

The amendment was negatived on division as follows:

YEAS

Belanger
Bryden
Bukator
Chapple

NAYS

Allan (Haldimand-Norfolk)
Allen (Middlesex South)

YEAS

Davison
 Edwards
 (Wentworth)
 Gordon
 Gould
 Innes
 MacDonald
 Manley
 Newman
 Oliver
 Reaume
 Singer
 Spence
 Thompson
 Trotter
 Troy
 Whicher
 Wintermeyer
 Worton
 -22

NAYS

Auld
 Beckett
 Boyer
 Brown
 Brunelle
 Cass
 Cathcart
 Cecile
 Connell
 Cowling
 Daley
 Downer
 Dymond
 Edwards (Perth)
 Evans
 Fullerton
 Gomme
 Goodfellow
 Grossman
 Guindon
 Hall
 Haskett
 Hoffman
 Janes
 Johnston (Carleton)
 Lavergne
 Lawrence
 Lewis
 Mackenzie
 MacNaughton
 Morin
 Morningstar
 Morrow
 McNeil
 Parry
 Price
 Robarts
 Roberts
 Rollins
 Rowntree
 Sandercock
 Simonett
 Spooner
 Sutton
 Wardrope
 Warrender
 White
 Whitney
 Yaremko
 -51

THE VITAL STATISTICS ACT

Hon. J. Yaremko moves second reading of Bill No. 40, An Act to amend The Vital Statistics Act.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, I do not think I can add anything to the explanation I gave on the introduction of the bill. It is the reduction of a period from 28 weeks to 20 weeks in respect to the definition of stillbirths. There is a general feeling throughout Canada and throughout the world—through the World Health Organization—that statistics on stillbirths would provide more medical information if the period were standardized at 20 weeks.

Motion agreed to; second reading of the bill.

THE CORPORATIONS ACT

Hon. Mr. Yaremko moves second reading of Bill No. 41, An Act to amend The Corporations Act.

Mr. F. R. Oliver (Grey South): Mr. Speaker, on this bill I am sure we, on this side of the House, are in favour of the principle embodied, but I think it provides an opportunity to suggest to the hon. Provincial Secretary that the information in his particular department is away behind the times. The system, it seems to me, must surely be antiquated in that department because of the delay involved in getting these returns in, and knowing where these charters are, and what the situation is.

Hon. Mr. Yaremko: I think the hon. member is addressing himself to the next bill, The Corporations Information Act.

Mr. Oliver: I am sorry if we are not on the right bill.

Motion agreed to; second reading of the bill.

THE CORPORATIONS INFORMATION ACT

Hon. Mr. Yaremko moves second reading of Bill No. 42, An Act to amend The Corporations Information Act.

Mr. Oliver: Continuing, Mr. Speaker, from where I was on the other bill, I think perhaps all hon. members of the House have had a similar experience. A couple of weeks ago I had a letter from the department, I think,

Mr. Speaker: I declare the amendment lost.

Motion agreed to; second reading of the bill.

asking me if I were still the director of a certain company. That company has been out of existence for 10 or 14 years. If that is the sort of records that are kept in that department, it is no wonder difficulties evolve every once in a while. It seems to me that the hon. Minister should surely be able to give an undertaking that this information will be more up-to-date in the future than it has been in the past. Surely the product of automation or machines of some character could be put to work in this department to bring the statistics up to date. The records are not much use if they are eight or 10 years behind as they have been in many, many cases in the hon. Minister's department.

Hon. Mr. Yaremko: Mr. Speaker, the intent of two of the sections are to provide the public with more up-to-date changes in respect of corporations. We have presently—and I can give the exact number at a later date, perhaps when the estimates of the department come up—roughly 65,000 corporations in the province of Ontario, and we incorporate annually—I believe the figure is around 7,000 a year, in addition to the number of extraprovincial corporations licensed to do business in the province of Ontario, and in addition to those who do not have to be so licensed, that are incorporated in other jurisdictions but carry on business in the province of Ontario.

Through the years there has always been a certain requirement under The Corporations Information Act, which was reviewed at the same time that The Companies Act of Ontario was reviewed, when the select committee was sitting; certain changes were made in respect of the forms at that time. Companies are required to make these statements annually. That is required of all corporations. This involves a great many types of corporations. There are corporations which are very large and have legal staffs at their disposal—with respect to which there is no difficulty in the filing of annual returns. There are other very small corporations; there are the non-share capital corporations or associations—of which there are some 3,000 in the province of Ontario; they are not perhaps as well equipped to complete this information as they should be. However, I will say this to this House that for a number of years the department has been going back through the records and culling out all the companies which have not filed their returns as necessary. My predecessors, I believe, and I have continuous, monthly, signed orders, in which there are several foolscap pages of names of companies

whose corporate powers have been cancelled because of failure to comply.

We have been trying to be fair with people. We do give them the opportunity—perhaps we have leaned too far in that direction—and reminded them continuously that they should file annual returns. I think 90 per cent of the job has been completed until now; the other 10 per cent will be completed this coming year, and the whole of the backlog will have been cleared out. Then we will require these annual returns in respect of all corporations right on the dotted line, perhaps.

Those hon. members who are lawyers, and who have had dealings with the filing of annual returns, are, I think, familiar with what some of these—especially the little corporations, the vast number of them—are up against in the filing of these returns.

These provisions we have now made are to give the public up-to-date information. This is apart from what the hon. member brings up in respect to the requirement of an annual return. We are now going one step further, with two vital requirements in respect of corporations: changes in directorship, and changes which affect the capital structure of the corporation, must be filed so that they will be brought to the attention of the public much more quickly. In the case of change in directors the notice has to be filed within 15 days. Changes in authorized capital must be filed within 30 days.

I personally believe that those are exceedingly good changes, and we will be in a position to have up-to-date information, both within the department and for the public at large.

Mr. J. Trotter (Parkdale): I was wondering if the hon. Provincial Secretary would permit a question. Suppose the company failed to file the change of directors in 15 days; what is the penalty involved?

Hon. Mr. Yaremko: The penalty will be the general penalty under The Corporations Act. I have not got it before me.

Motion agreed to; second reading of the bill.

Hon. J. P. Robarts (Prime Minister) moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to.

House in committee, Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF INSURANCE

On vote 801:

Hon. A. K. Roberts (Attorney-General): Mr. Chairman, in connection with The Department of Insurance, first let me say that there has been a change in the head of the department. Mr. Roy Whitehead, after a long period of government service, reached the age of retirement in August of this year and retired as superintendent. The deputy, Mr. Cecil Richards, who is a chartered accountant and has had some 23 years service in the service of the province—the last four or five of which have been as deputy superintendent of insurance—has been appointed superintendent. He sits here in front of me for the first time in that capacity and I think it is appropriate that I should pay tribute to both these gentlemen. They have done excellent service and I think their service is appreciated.

Now, I might say that The Department of Insurance has the administration of some eight Acts, The Insurance Act, The Loan and Trust Act, The Real Estate and Business Brokers Act, The Credit Unions Act, The Investment Contracts Act, The Collection Agencies Act, The Prepaid Hospital and Medical Services Act, and The Mortgage Brokers Registration Act.

There are some figures that would perhaps be of interest to the hon. members. They are comparable with last year in most cases, but the number of life insurance licensed agents is some 8,000—other than life, 9,500; and insurance adjusters, 750. Real estate brokers: number of registered brokers, 2,600; and salesmen 6,000. These are round figures.

The advisory board in connection with real estate brokers held some ten hearings during the year.

There are some 33 inspectors in the department. The total staff of the department is 69. This is a small department in many respects but is actually self-sustaining. As a result of some changes in the fees a few years ago, the anticipated income for the fiscal year, with which we are now dealing in the estimates, is some \$624,000, and the anticipated expenditures some \$466,000.

I think the House might be interested in a few comments in connection with The Mortgage Brokers Registration Act. I asked the superintendent to give me a short report on it and I am now giving some parts of this report for the benefit of the House, since this is a relatively new Act. It came into force on July 1, 1960 and the second year

of its operation began on July 1, 1961. The actual registration at the present time is 1,173 mortgage brokers, of which 149 are lawyers and 588 are real estate and insurance brokers. Last year at the same time the registrations were 958, so that there have been something over 200 additional registrations in this second year over the previous year. Two registrations in the current period since July 1, 1961, have been cancelled. One was in connection with a resident from another province who failed to maintain an office in this province, and the other was in connection with the issuing of cheques that were not met when they reached the bank, and caused some difficulty.

The Act has had a salutary effect on the mortgage business. It appears to have had some effect in reducing interest rates charged and in reducing the incidence of bonus mortgages.

This Act, hon. members will recall, came into effect at the same time as some amendments to The Unconscionable Transactions Act and, to the knowledge of The Department of Insurance, there has been at least one case, under The Unconscionable Transactions Act—which went through to the Court of Appeal—where an effective interest rate of 27.5 per cent was declared unconscionable and the decision, as I say, was sustained by the Court of Appeal. It is the view of the department officials that that decision has gone quite a long way in causing a good deal more attention to be paid to the fairness of this sort of transaction. There have been, to the knowledge of The Department of Insurance, a number of settlements and rebates to mortgagors.

There has also been a number of applications—for which I do not have the figures—under The Unconscionable Transactions Act, which would be known in more detail to the Inspector of Legal Offices; but in many cases I understand that proceedings, even a threat of proceedings, under that quick procedure method has been beneficial.

There has also been—through the instrumentality on the part of the department—adjustments for mortgagors by way of reduction in commission charged or a rebate on bonus levied. In certain abortive deals in which the department has intervened, this has resulted in mortgage registrations being removed from title after futile efforts over a number of months by the mortgagors' solicitors.

While the department is now receiving many inquiries from the public, complaints have diminished considerably. Most of the

present inquiries are to endeavour to get a legal opinion as to whether or not the terms are unconscionable, and of course that is not for the department to determine and therefore these people are advised to consult their solicitors.

Inspection of mortgage brokers' records has been carried out on a routine basis and also where certain complaints have been received. Since July 1, 1961—that is, the current fiscal year for this particular Act—33 such inspections have been made. Brokers have been warned about certain deficiencies in their records and procedures. Up to now it has not been necessary in the view of the department to institute any prosecutions.

One of the most evident benefits of the application of the Act is, in the words of the registrar of mortgage brokers, that gimmick and bait advertising, especially in the Toronto area, which is the centre of mortgage activity, has been pretty well eliminated.

Mr. D. C. MacDonald (York South): Mr. Chairman, I am interested in exploring for a moment or so, the limits of The Department of Insurance supervisory and regulatory powers in the field of mortgage and insurance companies. I want to give the House an example. It has been drawn to my attention by a constituent of mine, who is an insurance agent and who conducts his insurance business in the town of Weston.

Let me start, Mr. Chairman, by reading a few paragraphs from a column of Pierre Berton's some time ago in which he outlines as succinctly as can be done, the basic facts of this case. I hope I can beseech the attention of the hon. Attorney-General to follow the details of this because I have a question or so I would like to put to him at the end.

Hon. Mr. Roberts: I wonder my hon. friend has not seen fit to send it to the office at all.

Mr. MacDonald: I do not know why I should send it to the office.

Hon. Mr. Roberts: Well, I was just asking, that was all.

Mr. MacDonald: No, I have not seen fit to send it to the office. I think when it is in public print, and is therefore readily available to the hon. Attorney-General—

Hon. Mr. Roberts: One does not read all the papers.

Mr. MacDonald: Perhaps the hon. Attorney-General does not read the *Toronto Daily Star*; he concentrates on the *Telegram*.

Hon. Mr. Roberts: It might be a wise thing for the hon. member for York South to do. He might learn more.

Mr. MacDonald: I am quoting now from Mr. Berton's article:

When Stan Matias opened an insurance office in Weston, he figured he would have a free hand in selling such things as fire insurance to his clients. He figured that way; he figured that was what was called "individual enterprise"; how wrong he was. Mr. Matias went through the list of general insurance companies and he discovered that the rates were just about the same for most of them. These are the so-called board companies that belong to the Canadian Underwriters' Association.

Insurance company executives are among the loudest decriers of big unionism but, to Mr. Matias' inexpert eye, the Canadian Underwriters' Association looked awfully like one big union.

Then Mr. Matias discovered there was one company that had broken away from the big union; this was the Home Insurance Company. Oddly its rates on broad coverage were about six cents lower (per \$100 of insurance) than that of the "board" companies.

So Mr. Matias decided to use the Home Insurance Company exclusively and pass on the savings to his clients.

But then Mr. Matias ran into trouble. He sold an insurance policy with Home Insurance to a man in Etobicoke. This house had been purchased with an N.H.A. mortgage and this mortgage was held by the Guaranty Trust Company.

When Mr. Matias sent an endorsement of the policy to the Guaranty Trust, however, he got a brief letter back saying that the Guaranty Trust could not accept. Why? Because Home Insurance was not on the trust company's list of "approved fire insurance companies."

Now, how does an insurance company get on the approved list? Easy. It submits a financial statement and then agrees to purchase between \$25,000 and \$50,000 of Guaranty Trust Investment certificates. In short, Guaranty Trust has said: "Lend us \$25,000 and we will play ball with you—otherwise, no soap."

Mr. Matias phoned the president of the Guaranty Trust, Mr. J. Wilson Berry, to explain that he was not an agent for any of the approved companies. Mr. Berry told Mr. Matias that it was "just too bad." Then he suggested Mr. Matias use another

company—one that was approved. He suggested Canadian General Insurance, and very quickly, a man from this company phoned Mr. Matias. It turns out that Mr. Berry, who is the president of the Guaranty Trust Company, is also a director of the Canadian General Insurance.

As a result, Mr. Matias had to cancel the policy with Home and sign up with Canadian General Insurance.

After some bickering, the new company met Home's lower price but made it very clear that this was an exception. It would, it said, accept no other business from Mr. Matias at that rate.

Mr. Matias has complained about this to The Department of Insurance at Ottawa (since the government is involved through N.H.A.) but he has been told that nothing can be done about it.

Now, Mr. Chairman, I am informed by Mr. Matias that he first took the matter up with The Department of Insurance here. He was told it was not any of their business, and so he contacted Ottawa, and he is told by Ottawa that it is none of their business. I think it is interesting to look into the official explanations that are given.

In this instance, by the federal department: In a reply by Mr. K. R. MacGregor, federal superintendent of insurance, to Mr. Matias in August of this year, Mr. MacGregor said this—and there are some delightfully coy statements on the situation here:

As we understand it, the trust company is in fact laying down a condition that it will make the mortgage loan only if it received, among other things, an insurance policy on the property issued by one of the companies on the list.

Incidentally, I might add, that was only half the story; they will do business with this insurance company only if it, in turn, is willing to invest in the trust company—presumably in the mortgage division of the trust company. In short, the insurance companies are compelled to supply the trust company with some of its mortgage monies.

Continuing with Mr. MacGregor's letter:

The making of the mortgage loan is therefore within the discretion of the trust company and there is no legal prohibition against the trust company setting up a list of preferred fire insurance companies.

If I may digress again for a moment. Is it within the powers of the trust company to draw up an approved list on the basis of

a compulsory investment of the insurance companies' funds in the trust company? A point which Mr. MacGregor wholly neglects. Continuing in his letter:

So far as this department is concerned, we consider that any company that continues to be registered for the transaction of new insurance in Canada, is in a financial condition to meet its liabilities, otherwise we would recommend termination or modification of its certificate of registry. However, it may well be that individuals or corporations prefer some company or companies to others and the reasons for their preference might be of wide variety.

Again, if I may digress, the question surely is: Is this a legal reason for the "wide variety of preference"—namely the compulsory investment of funds and the regulation that they thereby have over insurance agents? He concludes his letter:

We do not think the department can or should attempt to influence any individual or corporation in the choice of an insurer. which is surely off the base a bit.

Mr. R. M. Whicher (Bruce): Would you say that was a closed shop?

Mr. MacDonald: Very much a closed shop.

Mr. Whicher: Are you in favour of this?

Mr. MacDonald: Let me proceed, Mr. Chairman. I would like to quote briefly again from a letter of Mr. Matias in which he explained why he chose the Home Insurance Company. He says this; writing to Mr. MacGregor, Superintendent of Insurance, Parliament Buildings, Ottawa:

We use exclusively the Home Insurance Company, the reason being we are able to sell fire insurance at the rate of 37 cents per \$100. In doing this we are saving the taxpayers six cents on each \$100 house insurance. The Home Insurance Company is a large, reliable, well-established company and we have written up a number of these policies which have been well accepted by both the home owner and the mortgagees.

He concludes his letter with, I would submit, a very apt comment:

I fail to see why a small agent and also the home owner should be squeezed between the vise of two financial giants. This would appear to be an infringement of civil liberties and private enterprise, especially so when the government of Canada

guarantees loans to trust companies under the N.H.A. structure and also licences insurance companies to operate.

Finally, Mr. Chairman, I want to quote another comment from one of Mr. Matias' letters, which I think, puts this rather boldly in terms of an insurance agent who finds himself the helpless victim of the dictates of a trust company, operating in the fashion which I have just outlined.

The writer spent seven years in the Services and has worked up to 16 hours a day to earn an honest living for himself, his wife and three children. This is not the first instance when a trust company with its own allied insurance companies has tried to dictate where business should be directed. You will understand that I, as an agent—

and I think this is a very pertinent point, Mr. Chairman,

—you will understand that I, as an agent, do not represent an interest in the insurance companies but rather an interest in my clients from whom I receive my commissions. Therefore, if I can save them money and at the same time give them insurance protection with a reliable company, it is my duty and my responsibility to do so.

Surely, Mr. Chairman, that is a very able and eloquent statement of what should be the responsibility of an insurance agent.

An hon. member: What is the date?

Mr. MacDonald: The date? The date of that letter is August 25, 1961.

Mr. A. H. Cowling (High Park): I do not think it is well said. I happen to be one.

Mr. MacDonald: I know the hon. member is, and I have heard his views on insurance companies before. It is obvious his views are identified with those of the insurance companies—and therefore, I conclude, not with the clients.

Mr. Cowling: Well, there is the smart man who knows all the answers about insurance or anything else that comes up. How wise the hon. member is!

Mr. MacDonald: I am not going to get into an argument with the hon. member, Mr. Chairman. I am talking at the moment about Mr. Matias' observation that his job is to protect the interests of his clients, not the insurance companies. I am not surprised; in fact, I think it is rather significant that

the interjection of the hon. member for High Park (Mr. Cowling) in effect suggests that it is the responsibility, as he interprets it, to protect the interests of the insurance companies and not the clients. I hope his clients will take note of this.

Mr. Cowling: The hon. member does not know what he is talking about.

Mr. MacDonald: I know what I am talking about.

Mr. Cowling: As usual.

Mr. MacDonald: Mr. Chairman, the net result of all this is that there is an intensification of a monopoly condition in the money market. This trust company, through its mortgage division—which comes under the jurisdiction of this department whose estimates are before us—dictates what company insurance agents can deal with it. It does so, not on the basis of the soundness of the company, but simply on the basis of whether or not this company is going to respond to the dictates of the trust company—that it must invest some of its funds in the trust company before the trust company, in turn, will permit its clients to buy insurance from it.

How this, by any stretch of the imagination Mr. Chairman, can be called free enterprise, is just one point that rather puzzles me, since it comes from people who are the incorrigible champions of free enterprise. Be that as it may, the question I want to ask of the hon. Minister, is: Does the regulatory and supervisory powers of The Department of Insurance, as they are now spelled out, not make it possible for this department to come to grips with this kind of pressuring—very close to blackmailing or compulsory investment? If they do not permit of supervision and regulation, will the hon. Minister give some consideration to broadening those powers so that something can be done about this kind of activity?

Hon. Mr. Roberts: Well, Mr. Chairman, I would say that there is no compulsory power in the statute. There would have to be such power to enable action such as the hon. member suggests. Persuasion sometimes helps. As a matter of fact, this is an old story and it is like some other stories, gradually becoming less and less typical because these trust companies are going over to the practice that the hon. member has been advocating. I am told that there are only two now—

maybe only one, the one mentioned, which is still adhering rigidly to the particular selected or approved insurance company list.

Therefore I would think that protests such as this, publicly aired from time to time, in the past and at this moment, are probably assisting in getting this thing into a line that would be more in accordance with what the hon. member thinks is right. I think in this particular case there is a good deal to be said about that point of view. So I do not think we would want to get into the field of actually compelling that type of action.

Mr. MacDonald: Mr. Chairman, I am very encouraged to learn that this has been restricted to the one company, the Guaranty Trust Company. But the question I want to focus on for a moment is this: Is it a legitimate proposition for a company that is operating under the supervision of the hon. Minister, that it, in effect, should dictate that an insurance company must invest in its business?

We have heard an awful lot about compulsion in various forms. In effect, the trust company dictates that this company must invest in its investment certificates. A lot of innocent insurance agents, going about their business, suddenly find that the policies they have taken out just will not be accepted because this company blacklisted itself by refusing to bow to this dictate.

Hon. Mr. Roberts: I think it is in the field of their own selection; that would be the argument they take. They like certain companies and they apparently do not like other companies. Actually, this is gradually disappearing and I think perhaps the only other company that was involved in it has already joined with another one of the large companies which had the practice which the hon. member advocated.

Mr. MacDonald: I make this final comment, Mr. Chairman, and then I will leave it because, apparently, only public pressure is going to rectify the situation. I am constantly amazed at the number of words that are uttered, and the number of editorials that are written, about alleged violation of the civil rights of individuals because of certain actions in a trade union. Yet here we have this kind of compulsion and blackmailing in the instance of the operation of an insurance company, and the hon. Attorney-General says we cannot do anything about it, it would be unwise for us to take unto ourselves this kind of—

Hon. Mr. Roberts: This is competitive enterprise. If a company is doing something that is not really sound and proper they will lose business, and the other people will get it; and it will adjust itself.

Mr. Cowling: If I may, Mr. Chairman, I would just like to straighten the hon. member out on a couple of points. It is always amazing how much he knows about everything. I have spent 25 years in the insurance business, but I still bow to him and I can learn something from what he has to say.

I belong to the Ontario Insurance Agents Association, which represents about 2,500 agents in the province and this matter has come up from time to time at our convention and we have done something about it. I think the mere fact that the hon. Attorney-General has said there is now only one or two companies that have that rule, is an indication that we have made a lot of progress.

This has not come up at our conventions in the last several years. Believe me, if the insurance agents of the province were interested in it or had a problem, it would certainly be discussed and we would be right on the doorstep of either the superintendent of insurance or the hon. Attorney-General. He knows that as well as I do.

I do not know the agent whom the hon. member mentioned there in Weston, but as a licensed agent in the province of Ontario, he acts on behalf of the company, not on behalf of the client. His commissions are paid to him by the company, not by the clients.

Mr. MacDonald: From the money that the client pays.

Mr. Cowling: Yes, but the client pays an insurance premium and his agent gets a portion for commission, which is perfectly all right. The hon. member is just not seeing the picture right. He is talking through his hat, on this particular problem. I am trying to give him a little bit of advice.

If the hon. member wants to buy a fire insurance policy, he goes to the company or to the agent of his choice—does he not—where he thinks he will get the best deal for the least amount of premium? Anybody does. Well, the same thing applies with the trust company. If we write an insurance policy covering a mortgage and the business is not acceptable to the company that has the mortgage, then we will take it some place else. If we do not like the way they do business, we will do business with another

company. If the hon. member does not like the way his agent operates, he does business with another agent. He does not go crying to the government.

Discussing agency problems with the superintendent of insurance in Ottawa is a waste of time, because he has no jurisdiction over agency matters, agents, and so on; they are licensed and controlled by the superintendent of insurance in our province. One does not have to go to Ottawa to get the answers.

As a matter of fact, I think it would be a good idea—if this fellow does not already belong to the Metropolitan Agents Association—if he joined and found out a few of these answers right here in town.

If I do not want to do business with this trust company, I will change it. If I do not like the way my bank operates, I will change it, and that is one of the great things of free enterprise. We can move around as we please. We are absolutely free to change any time, any day. And it is something that the hon. members enjoy the same as we do.

I just wanted to mention the point that the agent works for the company, and the company pays his commissions. Many times I have heard the hon. member say since he has been here, Mr. Chairman, that I am the spokesman for the insurance companies, which is strictly bunk. I have no connection with the insurance companies other than that we write business for them. If we do not like the way they do business, then we simply change our company. And if they do not like the way we do business, they change us, and that is the way it should be.

Believe me, I am not speaking for the companies. I am trying to straighten the hon. member out on an agency matter, which is something I think I know a little bit about. Now if the hon. member has any other questions I will be glad to answer them for him.

Mr. MacDonald: Mr. Chairman, I am not going to get into the argument as to who the agent works for, it is just a difference in interpretation of one's responsibilities.

However, the point I do want to make is this; the hon. member told me that I am free to go and do business where I can get the cheapest rate for coverage. Fine. But he has missed the key of this whole business.

This man got the home owner in Etobicoke insurance at six cents per hundred coverage cheaper, from a reliable company. Then he found himself the victim of dictation by the trust company on that black-

listing basis that it has chosen, which says: You must go out and buy insurance at a higher rate. In other words, free enterprise said to this man: Though you can get your coverage from a reliable company for 37 cents, we dictate you must go and buy it from another company for 43 cents. You are buying it from that company because we in turn had dictated earlier that this company will invest in our investment securities. Now, is that free enterprise?

Mr. Cowling: Mr. Chairman, if I lend out some money on a mortgage, or for any other reason, or you lend it out—your hard-earned money—it is up to you to say how it is going to be insured or how it is going to be handled in any way.

Mr. MacDonald: In a reliable company.

Mr. Cowling: I say that is precisely the situation in which the trust company finds itself. It is their money, and they will call for the insurer of their choice.

Mr. MacDonald: We have to have a certain amount of freedom here, Mr. Chairman—but I submit it is not the right of the trust company to dictate where you buy your insurance.

Mr. Cowling: They are not dictating. They are just specifying where they put their mortgage money and how they want it covered by insurance.

Mr. MacDonald: Mr. Chairman, if this company is still licensed by the federal department of insurance, it is a legal company to give insurance in this province, not only in this province but in—

Mr. Cowling: We are not concerned about it being licensed federally, we are concerned about it being licensed by the province, that is the important thing.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I have some questions for the hon. Attorney-General (Mr. Roberts). It is unfortunate the hon. member for York South (Mr. MacDonald) gets off on a tangent like this. There might be other things besides investments. Surely he is not suggesting that it is necessary to do business with a company, whether you like them or not. Surely he is not suggesting that.

I do not like the way several insurance companies do their adjusting. The hon. member is suggesting that if I had some money, I could not say which company I

should do business with. He certainly does not know the facts, and I suggest to him that the agent he speaks of does not know much about the insurance business. I might not agree with all the hon. member for High Park (Mr. Cowling) says, but the hon. member for York South apparently shows an apparent lack of knowledge of the subject.

Mr. Chairman, I should like to ask the hon. Attorney-General a question with respect to the licensing of real estate brokers and mortgage brokers. I quite agree with the principle of licensing and controlling them. It has come to my attention that certain real estate brokers were licensed and controlled under the Act. Because of the nature of their business, which involved the placing of mortgages in various ways, they have registered under The Mortgage Brokers Act. I do not quarrel with this, except for the fact that I would tell the hon. Attorney-General he is charging them two fees. He is charging them \$25 to be licensed under one Act, and \$25 to be licensed under another Act. It seems to me that this problem could be controlled much more easily and much more cheaply.

Contrary to what some people might think, there are some brokers to whom this is a hardship. I am wondering why the system could not be changed so that the conditions of one Act would make the members subject to another and would avoid the necessity of those real estate brokers—who are already registered and already reporting to the hon. Attorney-General—paying a double fee.

It seems to me that we are creating an unnecessary expense to these operators and I wonder if any thought has been given to that or whether the hon. Attorney-General has given any thought to making these people responsible under the Act which governs their operations in the first place. I speak of the Real Estate Brokers and Business Brokers Act.

Hon. Mr. Roberts: I would say to the hon. member that I recall very well his interest in this problem when it was very acute here a year or so ago. As a matter of fact, he was president of the Hamilton and district real estate brokers association. He invited me to come over there and I think we had a very pleasant evening when the whole matter was discussed in front of a very representative and large audience including a lot of the local lawyers from that area. I know that the hon. member is speaking with real interest in the subject and I suggest that he have a talk with the superintendent. If there is any reasonable adjustment which ought to be

made along those lines, we will certainly look into it.

Mr. H. J. Price (St. David): Mr. Chairman, the point that the hon. member for York South (Mr. MacDonald) brought up a few moments ago—about the agent who was having the problem—did exist at one time; but as the hon. Attorney-General said, it hardly exists today. I think it grew out of the fact that some of these companies had a preferred list based on the sale of their securities. It was not a blacklist so much as a preferred list. It caused agents some trouble in the past. They would find, as he pointed out, they would write a policy with a company that was unacceptable. It is no longer a real problem.

Mr. K. Bryden (Woodbine): Mr. Chairman, I would like to direct some questions to the hon. Attorney-General with regard to the administration of The Mortgage Brokers Registration Act which he dealt with to some extent in his introductory remarks. Unfortunately I missed the first part of his statement and I hope I am not asking questions that he has already answered.

The first question I would like to ask is, how big is the staff responsible for the administration of this Act?

Hon. Mr. Roberts: Three.

Mr. Bryden: That, I take it, consists of the registrar, his assistant and an office secretary. Is that a correct assumption?

Hon. Mr. Roberts: That is right.

Mr. Bryden: And what other responsibilities do these three people have in addition to the administration of this Act?

Hon. Mr. Roberts: I think I mentioned in my remarks—which the hon. member may not have heard—that some checking has been going on—inspections of mortgage brokers' records on a routine basis plus those prompted by complaints.

Mr. Bryden: No. My question was, what responsibilities other than the administration of this Act do these people have?

Hon. Mr. Roberts: I am adding to the answer. I take it the hon. member wanted to get some idea of the personnel and the scope of the work, so I mention that there have been 33 inspections carried out since July 1, 1961. I cannot very well outline the actual detailed work of these three people—

unless the hon. member has some particular point.

Mr. Bryden: The point I am getting at, Mr. Chairman, is this: As I understand it, these people certainly used to have administrative responsibilities quite unrelated to the administration of this Act. The purpose of my inquiry is to find out if they still have such responsibilities. For example, as I understand it, these three people were also responsible in the past for the administration of The Collection Agencies Act, covering about 130 collection agencies, and for the examination and inspection of the books of 38 prepaid non-profit hospital and medical plans. Now, do they still have responsibilities of that nature as well as their responsibilities under The Mortgage Brokers Registration Act?

Hon. Mr. Roberts: The superintendent informs me that the amount of work required of these people in relation to the business that is in front of them, is not such that they are not able to do it completely. They have these other Acts to deal with. There are four people, actually, he tells me, and not three in connection with this work. He gives me no reason to believe, however, that that volume of work is such that the staff is inadequate; but, if there was any such situation, certainly some application would be made to increase the staff.

Mr. Bryden: Well, I would like to suggest to the hon. Attorney-General—and through him to the department—that there appears to be very good reason to believe that the staff is inadequate. A staff of three people, one of them an office secretary, to—

Hon. Mr. Roberts: There are four people, I added one more.

Mr. Bryden: Four people. What is the nature of the work of that extra employee, is it a stenographer or is it another inspector?

Hon. Mr. Roberts: A clerk.

Mr. Bryden: It is a clerk in the office. So there are two people in the office plus the registrar or director—or whatever his title is—plus a more senior person who assists the registrar on his administrative responsibilities. Apparently they have made some improvements as far as the office filing system is concerned, which is no doubt advantageous; but it would seem to me that the real inadequacy exists in the more senior responsibilities involved in the administration of this Act. I did not quite absorb the hon. Attorney-

General's figure as to the number of registrants, but I think it was pretty close to 1,200 now registered under the Act. I think he used the word "routine" when he said it; he said there was a total of 33 routine inspections. If the total of routine and special inspections was 33 out of close to 1,200 offices that had been registered, it would seem to me—

Hon. Mr. Roberts: This is again a case of an hon. member bouncing in half-way through, not hearing what I said earlier, and taking things out of context. If he had listened—or been in here—he would have heard my remarks which indicated that steps had been taken to produce a much more normal situation. The whole general situation is greatly improved in the field of unconscionable transactions—as in the field of adding gimmicks and advertising of that sort, which ends up, or used to end up, in highly unfair types of transaction. That is the objective, surely, of all of us.

Mr. Bryden: If the hon. Attorney-General would hold his temper; I heard all that portion of his remarks, and I do not think it was satisfactory at all. I would suggest to him on the face of it that there certainly is no routine inspection to speak of if the total—including special inspections, inspections on complaint—is only 33 out of close to 1,200 brokers, there is certainly little routine inspection.

Hon. Mr. Roberts: Let me say this. This government has no intention of harassing people in the expectation that they would be doing something wrong. We assume that people are doing things right.

Interjections by hon. members.

Mr. Bryden: Unfortunately, this is an industry in which there are a substantial number of people operating who are harassing some unfortunate and rather innocent victims. The hon. Attorney-General says he has no basis for believing that anything is wrong, but there certainly is ample evidence which should indicate to him that there is a great deal wrong in this industry. That some sort of routine inspection would not be out of order at all; it would be very useful.

I am going to suggest to the hon. Attorney-General that there is not even adequate investigation of the applications that are made for registration—that they are dealt with purely on a routine basis. It is merely a matter of paper work. All you need to do to get a licence in this business is to have

enough money to rent some two-by-four office, a telephone and a desk—and enough for the licence fee. The department investigates no further as to the competence and adequacy of the people who have applied for licences.

If I am wrong in that statement, I would appreciate having the hon. Attorney-General correct me. Certainly, as far as I can make out, the registration procedure is a complete farce; it does not mean a thing; it does not provide for any regulation at all. The industry is certainly greatly overcrowded for the amount of business that has to be done, and there are people in it who are simply preying on the misfortunes of other people.

The hon. Attorney-General referred to the Scott case, I believe, where a mortgage was upset under The Unconscionable Transactions Relief Act. In this particular case—when one allows for the bonus—the excessive interest rates the people were paying was 27 per cent. When this went to appeal—

Hon. Mr. Roberts: 27½ per cent.

Mr. Bryden: 27½ per cent. It is certainly bad enough. Mr. Justice Laidlaw observed, according to the *Toronto Globe and Mail*, “I rebel against the very terms of the obligation imposed.” And Mr. Justice Schroeder stated, “My brother expresses my view but I marvel at his moderation.” I think we would all probably agree with what these eminent gentlemen said, but I think one of the most significant things is that their statements demonstrate the sheltered nature of the world in which they live. They were apparently appalled, and quite properly. But this kind of deal is commonplace in the industry right now.

Hon. Mr. Roberts: Does the hon. member think the world where the judges live is of a sheltered nature?

Mr. Bryden: I would submit, if they were appalled by this, as they no doubt had a right to be—or they were surprised by it, let me put it that way—they are living in a sheltered world because this sort of thing is going on all the time.

I would agree with the hon. Attorney-General that a judgment of this kind no doubt has a salutary effect, to a certain degree; but let us bear in mind that most of the people who get caught in the net of some of these second-mortgage dealers are people with quite limited education, and quite limited understanding of their rights. They are very hard pressed for funds. They get caught in the

net and they are not even necessarily aware that there is any possible way out of it, even if they could afford the procedure of going to court with the possibility of having to go right to the court of appeal.

The second-mortgage dealer fattens on the fellow whose income is not adequate for him to maintain his family. He gets into debt, he gets desperate, and is attracted by an advertisement to the effect that he can get a second mortgage on his house. He goes further into debt and he has to pay a large bonus to get a second mortgage. Of course, since he could not finance to begin with, he now cannot finance in the more onerous situation in which he finds himself so he just gets further and further into the hole.

There are many cases on record where people have made payments over a period of time and ended up owing more money than they got in the first place. Then they have to get another second mortgage with another bonus and they end up still further in the hole. There is no way out of the trap—until ultimately they lose their home.

This is a problem that, in my opinion, requires much more serious consideration than the hon. Attorney-General is prepared to give it. The Act as it now stands is little more than a revenue-raising device, and a picayune revenue-raising device at that, for the government. The brokers have to pay a fee and they get registered and that is about all there is to it. Some of the rotten—

Hon. Mr. Roberts: Has the hon. member any particular cases he wants to bring to my attention?

Mr. Bryden: I will be glad to bring a case to the attention of the hon. Attorney-General but surely he is as well aware as I am of some of these cases. The hon. Attorney-General said that the situation on bonuses has improved. Well, it may have, as far as some companies are concerned, but here is today's newspaper and here is an advertisement by Hargo Investments Limited.

“Safe Seconds” is the head: \$1,950 buys \$2,250, 7 per cent, 3 years; \$1,800 buys \$2,300, 7 per cent, 4½ years; \$1,900 buys \$2,400, 7 per cent, 3½ years.” Now this is Hargo Investments advertising for a lender.

The figures shown here are not the figures that apply to the person who has borrowed the money; Hargo Investments are getting their cut out of what that man gets. But this is the offer that Hargo Investments are making to a person who has money to lend. Of course these fellows never lend their own money, they just set up an office and advertise for a

borrower by some nice attractive advertisement. Then, when they find a borrower, they get him to sign a contract which does not commit them, though it commits the borrower. Then they advertise in this way for somebody to lend the money.

Hon. Mr. Roberts: The hon. member is complaining about the advertising, is he?

Mr. Bryden: I am complaining about that particular advertisement, or rather, I am not complaining so much about the advertisement, as I am complaining about the situation it discloses, which shows that there is still a real racket on bonuses in these second mortgages.

Hon. Mr. Roberts: The hon. member is calling this company a racketeer?

Mr. Bryden: I am not calling them a racketeer, I am suggesting that extortionate bonuses which must be charged—if they can make offers of this kind to prospective lenders—are a form of racket.

If the hon. Attorney-General wants to interpret that as meaning that I am accusing this company of racketeering, he can make his own interpretation. I am suggesting that the situation is not nearly as favourable as he has made out, that the administration is quite inadequate, and that there should be a larger staff at least to check on applications for registration. None or very few of them have been checked to date. The first job may be to check on all the applications that have been received until now and where registrations have been granted.

Hon. Mr. Roberts: When these registrations first took place, there was a very thorough check in connection with all applications.

Mr. Bryden: On the renewals?

Hon. Mr. Roberts: On the renewals, of course, there is not the need, normally, for anything like the same kind of a check.

Mr. Bryden: I asked the hon. Attorney-General who made the check on the original application.

Hon. Mr. Roberts: The people in the department—

Mr. Bryden: It is manifestly impossible for one registrar and an assistant, and at that time one girl in the office, who had other not unsubstantial duties to perform, to have checked the 900 applications, or whatever it was, that came in the first year. That is manifestly impossible.

Hon. Mr. Roberts: My hon. friend is yielding his position, I will agree that he is being co-operative that way. It took about a six-months period for that registration. Credit reports and various other checks were made on all these applicants. Now, having got that basis, and having started with an assumption that we were dealing with reasonably honest people, as far as I am concerned I would not suggest that every time they renew their licences it go through the same procedures for them. I would accept them in that position until we had some reason to believe otherwise.

Mr. Bryden: I would assume that the hon. Attorney-General would start with the assumption that to some degree he was dealing with an industry that needed some cleaning up. Now to what degree has he cleaned it up? He may have given this figure, but how many applications has his department refused? I think he said they cancelled two registrations, which is not very many considering the sort of things that go on in this industry. How many has the hon. Minister refused?

Hon. Mr. Roberts: There were a number refused last year at the beginning, not a large number, but a number. There were some appeals taken right through to the superintendent. They were sifted through the department and through to the superintendent.

I say again I do not like these sort of blanket attacks on people in this sort of business as though they were suspects, or should be suspected until something happens. That is not our approach at all over here. I would not for a minute want to have an approach of that sort. I believe that the vast number of people in this province carrying on business and living here are honest people and I am not going to ever be convinced otherwise.

Mr. Bryden: There was absolutely nothing in any statement I made that suggested anything else. I suggested to the hon. Attorney-General that there were some operators in this industry whose operations needed looking into and I will rely, at least in partial support of my statement, on the fact that the Court of Appeal of Ontario apparently decided that there was one case at least where that was true. I am suggesting to the hon. Attorney-General that there are a good deal more than one, whose transactions were unconscionable.

However, I will turn to another question I would like to direct to the hon. Attorney-General with regard to his statement about gimmick advertising, as I think he described it.

Is he aware that there is currently a listing in the Toronto telephone directory as follows: "Money Unlimited Corporation Limited."

Hon. Mr. Roberts: Mr. Richardson will look at that one, but I have no doubt it has been granted—

Mr. Bryden: I cannot hear the hon. Minister.

Hon. Mr. Roberts: The hon. member was talking about a corporation by that name, I take it.

Mr. Bryden: I am by no means certain that there is such a corporation, but there is such a listing in the telephone directory and I wondered if the hon. Attorney-General was aware of it?

Hon. Mr. Roberts: Quite frankly I do not spend my time going through the telephone directory.

Mr. Bryden: Perhaps not.

Hon. Mr. Roberts: The hon. member has brought it to our attention—

Mr. Bryden: The hon. Minister is responsible for the administration of an Act and one of—

Hon. Mr. Roberts: I am not an investigator.

Mr. Bryden: Perhaps he has departmental officials who could advise him on the matter.

An hon. member: The hon. Minister will have to spend more time looking at the telephone book.

Mr. Bryden: I suggest to the hon. Attorney-General that this is not exactly a laughing matter. Obviously someone, whoever put that listing in the telephone directory, had in mind the fact that some person who is perhaps not burdened with too many brains but is overburdened with debts, might start thumbing through the directory, under the heading "money", and come across this listing and think he had discovered a pipe line to the mint.

I would suggest that this particular listing should be looked into.

I might mention, although I have no idea as to who is responsible for putting the listing there, that the address and telephone number shown for this corporation, is the same address and telephone number as is shown for Forest Hill Investment Corpora-

tion Limited, which, I believe, is a company registered under this Act. Is that not correct?

Hon. Mr. Roberts: What about it? It sounds like a good name. It is in a respectable area of the province.

Mr. Bryden: Many people take respectable names without necessarily having the respectability that the name implies. I would think it would be worth checking to see if this company which has the same address and telephone number was responsible for putting that particular listing in the telephone directory.

Hon. Mr. Roberts: If the hon. member thinks this is the best way, to bring people's names to the public in the Legislature for the first time without having made any inquiries ahead of time or taken any steps to find out whether they are honest decent people or not, that is the way he thinks and we will have to listen to him.

Mr. Bryden: As far as the hon. Attorney-General is concerned—this is typical, of course, of his reaction. It does not matter how anybody tries to bring anything to his attention, that is usually the reaction they get.

I am bringing it to his attention now, and I think it is perfectly proper to bring to his attention the fact that there are these listings in the directory. If he and his officials do not think they are worth investigating, that is his business. I think they are.

Mr. R. C. Edwards: Mr. Chairman, I should like to address another question to the hon. Attorney-General and I assure you, sir, I am not trying to put him on the spot, I am trying to get information.

I mentioned earlier these two Acts and the hon. Minister suggested I might take this to the superintendent of insurance. I may be incorrect, sir, but it seems to me that I recall having correspondence on my desk where this suggestion has already been made to the superintendent of insurance. It may be that I am incorrect.

The question I would like to direct to the hon. Minister is this: One, has there been any representation? Two, if there has been, is there any possibility of the suggestion being carried out that I made with respect to—

Hon. Mr. Roberts: Representation as to what?

Mr. R. C. Edwards: As to the removal of real estate brokers from The Mortgage

Brokers Act and making the one Act subject to the other so that one licence fee would do? Has there been any representation?

Hon. Mr. Roberts: I do not think it has gotten beyond a very general discussion; but again I say to the hon. member, if he—I regard him as an expert in this field—I would be very glad if he would come and have a talk with either myself or the superintendent or with both of us if he would like to. We would be glad to talk to him about it.

Mr. R. C. Edwards: The other question I wanted to put to the hon. Attorney-General was with respect to the matter of licensing general insurance agents. Is there any investigation carried on before these gentlemen, or ladies, as the case may be, are licensed? I know that he does conduct a very intensive investigation and I think is doing a very good job with respect to licensing of real estate people. I now turn to insurance agents. Is there any investigation as to the background of these people, or do we depend entirely upon the insurance company investigation?

Hon. Mr. Roberts: As the hon. member knows, these people are all sponsored by reputable insurance companies and our experience, the experience of the department, is that is a pretty safe representation. They do make certain inquiries, but they do not—they start from a feeling of confidence on those recommendations.

Mr. R. C. Edwards: Mr. Chairman, I just throw this out for what it is worth. I suggest that there might be some merit in an investigation.

The reason I suggest this is that I understand there have been instances where a person has been licensed by one company and had the licence withdrawn and then sponsored by another company. This business is very competitive and I suggest to the hon. Attorney-General that when a person is licensed under the Statutes of Ontario that the public, I think, come to accept the fact that he is licensed by the province as some evidence that this person is a fit and proper person to sell insurance to the public. I have heard of cases where these people have gone bad.

I think it is not quite enough to depend on the insurance companies, because I feel that the business is very competitive. I understand there are some 300 companies operating in the province, and because of the competition there is not sufficient screen-

ing there. I think it might be desirable to take another look at this situation.

Hon. Mr. Roberts: That is a suggestion.

Actually, I am told that there have only been one or two people who have gone sour, so to speak, and they happened to be people who have been in the business a very long time.

Mr. R. C. Edwards: Mr. Chairman, there is one other question that has come to my attention. I understand that it is necessary for anybody transacting insurance in Ontario to be licensed and it is not possible to sell insurance unless one is licensed as an insurance agent. Is that correct?

Hon. Mr. Roberts: That is correct.

Mr. R. C. Edwards: What about the situation where insurance is sold by an agent outside of the province? There is no protection at all.

Hon. Mr. Roberts: Does the hon. member mean by mail?

Mr. R. C. Edwards: I am thinking of cases where perhaps an agent in, let us say, Michigan, handling insurance for a firm in Ontario. Is this permissible? I mean is it necessary that these people be licensed in Ontario to handle an Ontario insurance policy?

Hon. Mr. Roberts: I am informed that would be legal and not breaking our law as long as the contract is not made in Ontario.

Mr. J. Trotter (Parkdale): Mr. Chairman, I would like to ask the hon. Attorney-General a question. The expenditures of this department compared with 1959 and 1960 have increased by approximately \$83,000. Now, this is a small department, and I was wondering if he could give me any reason why there should be such a large jump. It jumps \$40,000 from 1959 to 1960; it jumps in 1960 to 1961 \$40,000; and now these new estimates are another \$40,000 increase. Could he give me any reason for that?

Hon. Mr. Roberts: If the hon. member takes them by the votes I think it might be clearer.

Mr. Trotter: Yes, I see. I had the total numbers here, but is there any increase in activities? When I saw the increase I thought it would be because of the registration under The Mortgage Brokers Act. If he only has a staff of four dealing with that, then he

certainly could not trace \$80,000 to that work. I was wondering about the overall picture. I realize everything is increased, but why?

Hon. Mr. Roberts: I think it would be simpler if—we have already called vote number one—if we deal with salaries. We can deal with each of these items and see where the differences are, but actually in the salary item of \$347,000, that is \$17,000 higher than in the previous fiscal year. Most of that is made up of normal increments, plus an increase of some three people, filling a vacancy for three people in the credit union examination field. That accounts for \$17,000 in the salaries.

Mr. Trotter: I was going to ask the hon. Attorney-General, what does the government do to try to encourage the increase of credit unions, if they do anything?

Hon. Mr. Roberts: The government does quite a lot. The government has some 11 inspectors in the field assisting the credit unions, and particularly those which belong to the Ontario Credit Unions Association which operates in very close harmony with the department. Actually, we are really absorbing a cost somewhere in the neighbourhood of \$100,000 in that type of work.

But we make it very clear to the unions that what we do must not be regarded as an auditing of the accounts. They must look after their own auditing, with their own auditors as well, but it is a checking system. Over a period of three years, with that staff, we can clear all the unions in the province.

Mr. Bryden: Mr. Chairman, I would like to raise the question of the recent increase in automobile insurance rates which was announced in the press on December 9. The day after it was announced I asked the hon. Attorney-General before the orders of the day if the government was prepared to take action before the Christmas recess of the Legislature to prevent rates from being increased over their present level, until there has been an opportunity to consider the recommendation made by the select committee on automobile insurance, in its interim report, that machinery for regulating rates be established.

The hon. Attorney-General did not answer my question directly, but I take it from the answer that he did give that the government had no intention of taking any such action. The substance of his reply was that the board companies had come in with revised figures on their claim experience, and

that the superintendent of insurance was satisfied on the basis of that experience that an increase in rates was justified.

I have not read the whole answer but I think that is a fair summary of it.

At the time, of course, I did not have the complete figures on the experience of automobile insurance companies over the period of 1956 to 1960, which incidentally was the period mentioned by the hon. Attorney-General as the period for which the figures had been supplied by the underwriters association to the superintendent of insurance. I now have these figures, not admittedly in the detail which he probably had them, but I have them in the form in which they are made available to the public. The experience over the period 1956 to 1960 indicates that net losses incurred as a percentage of net premiums—that is the money that the insurance companies have to pay out in claims out of the money they collect in premiums—has been decreasing over the period to which the hon. Attorney-General referred.

In 1956 the insurance companies paid out 66.5 cents out of every dollar they collected in premiums. In 1957 this amount went up to 68.7. Then in 1958 it went down to 60.7. In 1959, to 57.2, and in 1960 to 58 cents out of every dollar. So that while there was a slight increase between 1959 and 1960, but very slight, the trend over the period was downward.

In view of these published figures, I find it a little difficult to understand why the superintendent of insurance was so easily satisfied, or apparently so easily satisfied, that increases in rates were necessary.

I would point out that these increases were quite substantial increases. They varied according to categories of insured, but according to the press reports the average increase as between 1961 and 1962 will be eight per cent. I do not know if the hon. Attorney-General can give any further explanation of this matter, but it is hard to understand, on the face of it, why it was felt that a sudden increase in rates was necessary at this particular time, just when it became known that the committee of the Legislature was recommending to the government that rate control machinery be set up.

Could the hon. Attorney-General elaborate at all on the answer that he gave me in the Legislature on December 11?

Hon. Mr. Roberts: No, I do not think I can elaborate at the moment on that. The

hon. member has quoted some figures. Would he reveal the source?

Mr. Bryden: Yes! These are the same sort of figures that appear in the annual report of the department, I believe. The annual reports of the department always show the net premiums and the net losses incurred and the percentage of losses to premiums. For convenience I did not look up the report, I just phoned the department without them knowing, of course, how I wanted to use the information, and they readily supplied the figures to me. They are public information in any case.

Hon. Mr. Roberts: Certainly they will give the hon. member the information. As a matter of fact, I was under the impression that there were certain periods in that five-year period when there were quite heavy losses incurred, in relation to the receipts as against the outgoing for claims by the company. Now, it is not a matter that it would do much good discussing again here, when I do not know the details. I do not think my hon. friend does either. But I will be glad to ask the superintendent to look into that further.

Actually, I see from paragraph four of the report of the select committee on automobile insurance which has been formally put before the House as the second interim report, that there is a recommendation there. Whether or not that would be acceptable I do not know, but I mentioned in my answer the other day that there are three or four sections of The Insurance Act which have been on the books since—I am not sure whether it was Mr. Hepburn's day or even Mr. Henry's day, but it was a long period back—whatever period it was, it has been in that state ever since and all that would be required to give effect to this section four would be to proclaim those sections. But that would be a matter of policy, of course.

Mr. Bryden: I am not going to suggest that the hon. Attorney-General attempt to reveal government policy on this matter at this time, but I would suggest to him that the procedure now followed in the Act with which he expressed satisfaction in his answer, is probably not a very satisfactory procedure.

I think we are witnessing right now some of the difficulties arising from it. This is purely a private, and perhaps informal, proceeding and it is sometimes quite easy to satisfy a person of the validity of a course of action when he hears only one side of the case. This is the sort of thing I gather that goes on under the present rather informal procedure.

The companies simply come in and present a case for a rate increase. There is no argument heard on the other side of the case, but I would submit to the hon. Attorney-General that on the face of it the figures certainly do not justify the increase that is envisaged. In fact they do not justify any increase at all.

I would suggest to him again, as I tried to in my question, that the government should give consideration to freezing the rates, or at any rate preventing them from being increased—I have no objection to any decrease the companies might want to make—until there has been an opportunity to consider the recommendation of the select committee and to have rate-regulating machinery set up. If the government decides to go ahead with that, I would consider it most advisable and desirable. In the meantime, surely it is not going to let the companies get a big whopping increase in before the control gets operating.

I suggest that the whole situation should be frozen for the moment, and then let us consider the committee's recommendation. If it is adopted, and if machinery is actually set up whereby rates can be considered at public hearings and regulated, then let the insurance companies take their case to the body that is set up for that purpose. But do not let them get away with an increase just at this juncture.

It may be pure coincidence, Mr. Chairman, but it is nevertheless a fact that this announcement of an increase in rates came very shortly after the information leaked out to the press that the select committee on automobile insurance was going to recommend establishment of rate-controlling machinery. Now that may be sheer coincidence, but nevertheless it did happen in that sequence—

Hon. Mr. Roberts: If the hon. member will again let me finish, those announcements come out practically every year at about the same time on the question of rates. It is as a result of discussions, review of records and so forth, with the superintendent and the superintendent informs me, as I indicated in my reply the other day, that after going over all the figures that were presented to him he was satisfied that these increases are proper for the moment at least.

Mr. Bryden: Well, Mr. Chairman, I would submit to the hon. Attorney-General, with all due respect to the superintendent of insurance, who no doubt is a very well qualified man, that that is not a good enough answer. I do not think the people of Ontario who are vitally affected by this type of decision

should have to depend entirely on the say-so of one individual who does not give his reasons. He merely says he has looked into it and he is quite satisfied.

Now maybe other people would not be as easily satisfied. I do not know. Certainly the lack of publicity on the nature of the inquiry that was undertaken or as to the facts that were unearthed makes the procedure most unsatisfactory. I will point out to the hon. Attorney-General again that the information that is available to the public seems to indicate very strongly that an increase is not justified, and certainly not a substantial increase such as we now have.

I would also point out to the hon. Attorney-General that, although there is no compulsory automobile insurance in this province, there is nevertheless a very high degree of legal pressure on people to buy automobile insurance. I would say any person in his right mind would definitely buy automobile insurance in view of the laws as they now are in this province. There certainly is strong pressure on him to buy and if he is being pressured in this indirect way to buy insurance from private companies, I think he has a right to some public review of the rates so that he can be satisfied that they are fair.

On the basis of the situation as it now stands on information that has now been given to us, I would suggest that the rate increase is quite unjustified and unnecessary, and that it ought to be held up by government action before the recess so that the matter can be subsequently reviewed by a proper regulatory body.

Hon. Mr. Roberts: I would just mention—without prolonging this—that as I said in my answer earlier this session, rates are competitive and these particular rates only apply to companies, board companies I think they are called, doing less than half the general insurance business. There is a good deal of cushion and a good deal of protection in the fact that rates are highly competitive. We have heard what the hon. member has said and—

Mr. V. M. Singer (York Centre): Mr. Chairman, at this point I must side with the hon. member for Woodbine (Mr. Bryden). When the investigations of the committee on insurance took place, among other people who came before the committee were Mr. Whitehead, the predecessor of the present superintendent. Mr. Whitehead admitted quite frankly to the committee that at no time during his occupancy of that position

had he ever questioned the rates that were submitted. He had reviewed them, he had them explained to him, but at no time did he ever disagree with the submissions made by the companies that the rates were fair and proper.

I think he admitted as well, that really he did not have the facilities within his own office to conduct that sort of an investigation. I will not go as far as the hon. member for Woodbine in saying that on the basis of the evidence that has been made available in the papers, that the increases are unjustified. But I suggest that the time has now come that if the province—as the report recommends—if the province is going to say anything about these rates that there should be made available to the superintendent a proper staff to investigate these rates and to advise the public as to whether or not such increases are reasonable or unreasonable.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, may I ask the hon. Attorney-General whether or not the small loans branch comes within the supervision of the superintendent of insurance?

Hon. Mr. Roberts: The answer is no.

Vote 801 agreed to.

Hon. Mr. Roberts moves that the committee of supply do now rise and report that it has come to a certain resolution and ask leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the Chair.

SPEECH FROM THE THRONE

Mr. J. A. C. Auld (Leeds): Mr. Speaker, once again may I congratulate you on the patient and understanding way in which you are carrying out your important, though at times trying, job.

May I also very briefly add my congratulations to those of my colleagues, to those hon. members who have added to their responsibilities by appointment to the Cabinet; my friend, the hon. member for Huron (Mr. MacNaughton); and my friend and neighbour from eastern Ontario, the hon. member for Ottawa South (Mr. Haskett). The appointment of the hon. member for Wellington-Dufferin (Mr. Root) to the Ontario Water Resources Commission, an agency of ever-increasing importance, will I know strengthen that body. I add my congratulations to the many he has already received.

I also want to congratulate the hon. member for Peel (Mr. Davis) for his appointment to the Hydro-Electric Power Commission of Ontario.

Mr. Speaker, very briefly I would at this time like to convey my thanks to the hon. member for Kingston (Mr. Nickle) for his many kindnesses and assistance in the past to me, both as a private member and as vice-chairman of the Ontario-St. Lawrence Development Commission which reported to him.

I also want to thank the hon. member for Lincoln (Mr. Daley) for his help and kindness. May I say how pleased I was to see that he was going to continue as chairman of the Ontario Parks Integration Board, to which increasingly important post he will be able to devote full time.

Mr. Speaker, some months ago I reported to this House on the activities of the Ontario-St. Lawrence Development Commission, with special emphasis on the opening of Upper Canada Village and Crysler Farm Battlefield Park on June 24, this year. At that time I described the historic and recreational attractions of the commission's parks system and cordially invited the hon. members of this House to attend the opening ceremony or later on during the season. As I said at that time, "Upper Canada Village must be seen to be believed." It must be viewed first hand to appreciate fully how well it has been done. Also stressed in this report were the economic benefits which were bound to accrue for eastern Ontario and the St. Lawrence River valley.

Mr. Speaker, the commission, as events have turned out, has understated both the popularity and the economic importance of the operations that have been carried out thus far. May I remind you these activities include parks and campsites from Glengarry on the Quebec border to Adolphustown on the Bay of Quinte; Old Fort Henry, and the Crysler Farm Battlefield Memorial, in addition to Upper Canada Village.

It has been said, "A wise nation preserves its record . . . gathers up its muniments . . . decorates the tombs of its illustrious dead . . . fosters national pride and love of country by perpetual reference to the sacrifices and glories of the past." Hon. members opposite may be surprised at my use of the words of Joseph Howe, but the wisdom he attributes to a nation which preserves its historic past must be credited to the government of Ontario, which has so successfully re-created the beginnings of Ontario in Upper Canada Village and sparked renewed and active

interest in the preservation of our priceless historical assets. In the beginning, before opening day, the communications industry of Ontario and all Canada hailed this venture in their magazines and newspapers, on radio and television broadcasts. It is impossible to mention here this afternoon all the publishers and broadcasters who devoted editorial space or broadcast time to Upper Canada Village. I believe you will agree that special mention has been merited by several communications media. *Canadian Homes* devoted its entire June issue to the village, and as a result won the Canadian Wine Institute Award this year for "the greatest contribution to stimulate public interest in the development and preservation of Canada's historical and cultural assets during the year." The *Toronto Globe and Mail* published a special colour section on Upper Canada Village and, for this issue, was placed second in the Wine Institute contest. The *Star Weekly* and *Weekend* magazines also gave excellent coverage. The *Canadian Geographic Magazine* devoted its June issue to two articles on the commission's operations. The first was written by Mrs. Beryl Way on Upper Canada Village, and the second was a definitive exposition of the Battle of Crysler's Farm by Ronald Way. Many major Ontario daily newspapers, including several in the seaway valley, devoted major editorial space to Upper Canada Village and the commission's parks system.

The Canadian Broadcasting Corporation broadcast two network radio programmes, "Assignment" and "Ventures," as well as a full hour of network television on Camera Canada entitled "The Enchanted Village." The commission, Mr. Speaker, is grateful to all of those who helped tell the people of Ontario and all Canada and our closely adjoining neighbours in the States, about our parks and historic sites.

Most important of all, the people came. They came literally in the hundreds of thousands. They came from more than 300 Ontario cities, towns and villages, they came from every province in Canada, from 40 American states, and from 25 other countries. Two hundred and thirteen thousand people visited Upper Canada Village between June 24 and October 10, the record for a single day being 4,800 people. Interestingly enough, 65,000 of these were school-aged children, either with their parents or in school groups. School bus loads of children came primarily from eastern Ontario, but also from more distant points in Ontario, and one group came from as far as Montebello, Quebec. There were 50 school groups, often requiring

as many as four buses to carry the party. I am pleased to report, Mr. Speaker, that Fort Henry reported a record attendance of 168,000, plus about 14,000 who attended the annual sunset ceremonial. Nine hundred and eighty thousand used the commission's outdoor recreational parks and campsites, an increase of 45 per cent over the previous year when many parks were already open.

In total, 1,400,000 persons visited one or more of the recreational or historic attractions of the Ontario-St. Lawrence Development Commission. Many of these visitors came from only a few miles away to swim or picnic or spend a day at the village. Consequently, they spent relatively little. Many others, however, came from long distances and spent several days at a cost of between \$12 and \$15 per day. Therefore, it is difficult to estimate the new dollars that were spent in the area. One estimate is based on these visitors spending only a day and \$10 in the area. If this is reasonable, then this summer there was an injection of 14 million new dollars into the economy of eastern Ontario. Economists tell me these new dollars probably have the effect of three times as many dollars or \$42 million because of the multiplier principle—a tourist pays his dollar to a motel operator who gives it to his staff in wages, who buy food at the local grocery store and so on. I may say, Mr. Speaker, that campers increased from something slightly over 8,000 camping groups a year ago, to over 30,000 camping groups this past season. At a more practical level, anyone who has tried to get lodgings for the night between Kingston and Cornwall, or Ottawa and Morrisburg during the summer of 1961 knows well the economic importance of the commission's operations to the communities in the area.

I have read that concern has been expressed by certain motel, cabin or tourist home operators about the great increase in the number of campers in Ontario. Certainly there has been an increase in campsite usage. Camping is an increasingly popular way for Canadians and Americans to spend their summer vacations. I am sure that all hon. members know that many of these campers are family groups, perhaps vacationing away from home for the first time. Their vacation trips ought to be encouraged and many of them will turn to other forms of vacation travel in future years. All forms of vacation travel are increasing and it is our observation that after several days at a camp site, many campers welcome the opportunity to use a shower and to sleep between clean sheets. In fact, in talking to motel and tourist cabin

operators in my own area, I have found nothing but praise for the camping programme of the province. Those operators have told me that the people who are coming to use our camp sites are the people who, perhaps, otherwise would not have had an opportunity to get out in the country. These people are coming for part of their holidays as customers of the motel and cabin operators.

The fact of the matter is there is not enough accommodation. There are not enough good restaurants. As a result, thousands who visited the parks or historic attractions on the Ontario side of the St. Lawrence valley crossed the river to New York State when night fell. Mr. Speaker, the Ontario-St. Lawrence Development Commission is very grateful to many departments of this government for their helpful co-operation during 1961. Our thanks go particularly to The Departments of Travel and Publicity, Lands and Forests, Highways, and, of course, the Parks Integration Board and to hon. members on both sides of this House.

The commission's first year of full operation has been a marked success; many organizations and individuals have contributed to this success, as I have mentioned on previous occasions. It is a great pleasure to tell you, Mr. Speaker, that on Tuesday, December 5, three awards of merit of the American Association for State and Local History were presented to Ontario organizations. The awards went to Imperial Oil, for making available to Canadian schools reproductions of the paintings of C. W. Jeffereys; to Rev. Father E. J. Lajeunesse, C.S.B., for his book, "The Windsor Border Region" in the Champlain Society series; and to your commission for Upper Canada Village, Crysler Farm Battlefield Park and battlefield memorial. I might say, Mr. Speaker, that I think this was a particularly unique award in the fact that a well-known American organization was presenting an award to a Canadian operation which memorializes one of the few military defeats which the United States has sustained. It is significant that two of these awards may be credited almost entirely to the inspiration and instigation of one man—the hon. member for Victoria (Mr. Frost).

Quoting very briefly from an editorial in the *Montreal Star* of Monday, December 11:

It comes as no surprise that this dual project has won an award of merit from the American Association for State and Local History. This association has given a great boost to historical preservation throughout the United States and the village and park were well worth its attention. There are

all too few historical sites in Canada that have been developed with anything like the imagination used on the village and park. The habitation at Port Royal, Fort Henry at Kingston, Lower Fort Garry at Winnipeg—there are not nearly enough of these. The remarkable success of the village and park should convince many more people that well preserved history is living history.

Ernest Bartlett, travel editor of the *Toronto Telegram*, reflects the pride of all men and women in Ontario when he writes:

I am grateful for the stature of our statesman who realized that in this, our Canada, our history is worth preserving and presenting, whether it be national monuments like Old Fort Henry, or national reconstructions, like Upper Canada Village. . . .

I feel that it is right, meet and proper that on the record should go the fact that the imagination which produced these reconstructions was backed by such people as former Premier, the hon. Leslie M. Frost. I feel, to quote Kipling, "they have built better than they knoweth."

Mr. Speaker, I heartily concur.

Mr. R. M. Whicher (Bruce): Mr. Speaker, firstly in rising to take a place in this debate may I, like the many other hon. members of the House, congratulate you on the excellent job that you have done ever since you were appointed Speaker of this House.

May I say to you in absolute sincerity that we on the Opposition side, particularly during this session, are very happy with the fairness that you have given to us. I will say that possibly on other occasions the Speakers have a tendency to look at the hon. Prime Minister and see if he winks at them and perhaps their actions may be judged by the way that wink is placed.

But with you, sir, we on this side of the House are very happy, and I might say too that since you have been the Speaker of this House there are other occasions when we have been happy.

We have enjoyed your Speaker's dinners, as we did your predecessor's; we enjoy the times that you take us up into your apartment during the sessions and allow us to have a lunch there. As a matter of fact I was rather disappointed this year, Mr. Speaker, that you had not invited us before the Christmas festivities, and I only wish that I had been called to speak last week because then I am sure that I could have impressed upon you our sincere desire to have another invitation this year.

Before getting into the main part of what I intend to say I also want to congratulate the hon. Prime Minister of this House (Mr. Robarts) on succeeding the hon. member for Victoria (Mr. Frost). I think perhaps there is a tendency among some people to feel that we on the other side do not appreciate the actions and the successes of men in government.

May I say, speaking personally, Mr. Speaker, that I absolutely sincerely congratulate the hon. Prime Minister on the excellent run that he made for the leadership. He had some rather tough competition but he has been successful. And while I do not wish him too well politically, on the other hand we wish him the best of health and we hope, Mr. Speaker, that his decisions will not lead Ontario astray.

I also want to congratulate the hon. Cabinet Ministers. Particularly would I like to congratulate those hon. Cabinet Ministers who had the foresightedness to support the hon. Prime Minister at the last convention. Now, as an example, I always thought, as did many hon. members of this House, that the former hon. Minister of Highways (Mr. Cass) was a very excellent Minister, and he conducted his office in a businesslike way. And really it was somewhat shocking for us to read in the newspapers that he had been given—demoted, I would say—to the hon. Minister of Municipal Affairs.

I am just wondering if the fact that the former Minister of Agriculture (Mr. Goodfellow), now sitting in the seat of the hon. Minister of Highways, was one of the men who nominated the hon. Prime Minister had any bearing on his appointment.

I think that any change for the hon. Minister of Labour (Mr. Warrender) from where he was before, considering the attacks that he had not only from the Opposition but from the people of this province, was bound to be a promotion; and I am wondering if the fact that he supported the hon. Prime Minister had any bearing on his appointment.

An hon. member: No.

Another hon. member: It was just a turn of the card. That is why he is in the front row.

Mr. Whicher: That is probably the reason. I have often wondered why the hon. Minister of Welfare (Mr. Cecile) is in the front row.

An hon. member: The hon. member ought to move down.

Mr. Whicher: That is right, I am going to get moved down and touch the seat. I want to say to the hon. Prime Minister that we are going to move him somewhere else too, very shortly.

I want to congratulate all the hon. members who ran for the leadership. The hon. Minister of Health (Mr. Dymond), I think did an excellent job. I want to congratulate them all, Mr. Speaker, for being such wealthy men, I had absolutely no idea that the hon. Minister of Health was in a financial position to be able to spend the thousands of dollars that we hear were spent in this leadership campaign.

I say to them—to the hon. Attorney-General (Mr. Roberts) for example, to my good friend the hon. Provincial Treasurer (Mr. Allan)—that, if they did not do anything else, they put a great deal of money into circulation. And from what I understand, the Liquor Control Board got a lot of it back in the form of taxes.

Surely the hon. gentlemen sitting in the government benches, and particularly those who ran for the leadership, are what could be called the upper crust of the Tory party. A fellow from Wiarton, my own home town, gave me the definition of the upper crust of the Tory party. He said, "Ross, this is what it is. The upper crust of the Tory party is a bunch of crumbs held together by their dough."

I would say, Mr. Speaker, that is self-evident. I would not say that they are old crumbs at all, but if they are crust they are certainly held together by their dough and they should be congratulated for the financial success that they have had.

I have a special word for the hon. Attorney-General because, in the leadership campaign, he came to my little town of Wiarton and said something with which I do not agree at all. He suggested in a speech there that Bruce would return to the Tory fold in the next election. It may very well be, that Bruce could turn to the Tory fold in the next general election of the province of Ontario; but I want to say this to the hon. Attorney-General—and I say it in a kindly, friendly way: If I were he I would look after St. Patrick. In fact, I am told by the odd Tory member of this House that there are a number who would be very happy if he did have a little trouble getting back into this House.

After congratulating everyone around you, Mr. Speaker—the upper crust of the Tory party—I want to tell you that I am speaking from a prepared text which is taken from the

second and third verses of the Wintermeyer amendment to the Speech from the Throne, which reads as follows:

That the government's bad management of the province's finances resulted in the imposition of a sales tax, and that this tax, ill conceived and badly timed, did produce a maximum of inconvenience to the taxpayer and a maximum of irritation for the retailer, when a plan calling for an exemption of \$25 would have been far more effective.

2. That as a result of a wasteful extravagance, unplanned spending and inefficiency of this government, notwithstanding the imposition of a sales tax, the public debt of this province has reached unparalleled heights and has thereby placed an onerous mortgage on the future of the citizens of this province.

Mr. Speaker, before I talk about the sales tax, and the Liberal plan calling for an exemption of \$25, I want for a few moments to look at the abridged financial report of this government for the year ending March 31, 1961. I am using these figures instead of this year's estimates because they are factual, and we know them to be absolutely correct and not just an estimated guess.

I want to remind hon. members of this House of the terrific burden of taxation that we the citizens of Ontario are now enduring, even before we had a sales tax.

Let us look at some of the main sources of revenue that this government takes from the people. First—and this is something that the hon. member for Woodbine (Mr. Bryden) talked about last night, when he suggested that a great deal more money should come from the corporations of the province of Ontario—let us see how much money already comes from them. Last year, the province of Ontario—the hon. Provincial Treasurer—received \$185,667,000. I would say that that was a considerable amount of money from the corporations of this province.

But let us go a little farther, Mr. Speaker, because, besides the taxes that the Ontario corporations paid to this government, they also paid \$675 million to the federal government. I would say, Mr. Speaker, before we increase corporation taxes in this province, we had better think about it very, very hard. At the present time, corporations are paying 52 per cent in taxes and, in every single dollar that they make, 52 cents is either going to the provincial government or to the government in Ottawa. This does not include

their municipal taxes at all. Fifty-two cents of their profit goes to these two governments.

When we talk about companies like International Nickel—as the hon. member did last night—we know that they are a giant corporation, we know full well that they make millions of dollars. Let us, as a supposition, suppose that they made \$100 million last year. I remind the hon. members of this House that of that \$100 million, \$52 million is going to support the revenues of Ontario, and of our federal friends in Ottawa.

Surely this is something that we must remember. Surely, before we tax these people—giants though they may be, and as the hon. member says, perhaps they can well afford to pay it—surely before we go any farther we must remember that industry—certainly not International Nickel, because they take these things out of the ground—but industry as a whole, who are not engaged in mining and in the natural resources, that industry would certainly move out of the province of Ontario.

And as a matter of fact, I am going to tell hon. members later of some industry that has unfortunately already moved from this province and gone to other provinces because of the fact that we, this government, is pricing them out of the market by certain legislation that they have put through.

Therefore I say to the hon. members, to you, Mr. Speaker, and particularly to the hon. member for Woodbine (Mr. Bryden), even though I enjoyed his speech very much: how much corporation tax can they impose on these fellows? At the present time we have the highest rate of taxation of any state or province on the North American continent. How much higher? We have as high as any other place. Fifty-two per cent. How much higher are they going to put it?

Supposing we made it, say, 60 per cent? I suggest that the way this government is conducting the financial affairs of this province, that if they made it 60 per cent, first, they would lose a lot of revenue because industry would move out of the province. In the second place if they did make it 60 per cent, they would not have nearly enough money anyway, because in spite of the sales tax they are going in debt this year to the tune of \$180 million.

I would say that they would have to double the corporation tax in this province in order to have a balanced budget. Therefore, Mr. Speaker, I want everyone to know that I am strictly against any increase in the corporation tax in this province, even though I fully realize that there are giants of industry in this

province who have a great deal of money. But these corporations with that money have an obligation to their shareholders. I suggest to the hon. members of this House that if they look at the financial pages of the Toronto newspapers, or any newspaper, they will see that many of the shareholders today are not getting as much in common stocks of those companies as they can in government bonds.

These companies owe an obligation to the shareholders who have invested money in them and they must be paid a just and legitimate interest.

Now, Mr. Speaker, \$185 million is the amount the hon. Provincial Treasurer got from the corporation tax. From the gasoline tax last year—and we are not up to the other provinces as far as taxes are concerned, 13 cents per gallon is the tax—the hon. Provincial Treasurer collected \$157,655,000. In our hospital tax, \$4 million; land transfer tax, \$3.5 million; logging tax, \$1.8 million; mines profits tax, \$17 million; motor vehicle fuel tax, diesel oil, \$6.8 million; race tracks, \$507,000; succession duties, \$37.6 million; et cetera, et cetera.

Now, besides this, one of the main sources of revenue that the hon. Provincial Treasurer has taken from the people of this province—remembering that with these huge sources of revenue we are still going in the hole, this happened long before a sales tax came in—one of the main sources of revenue is the income tax that the people of this province pay. Last year this government collected from the people of this province \$113,791,000.

Hon. members may say when they look at the six million figure—the number of people there are in this province—that perhaps that is not much. But when I remind the hon. members that Ontario residents, besides that amount of money, paid \$800 million in income taxes to our federal friends in Ottawa, then I say that surely there is a point where instead of taxes continually going up, that the governments, not only of this province but governments all over the democratic world and particularly in Canada, must put a little economy and efficiency into their operations and bring these taxes down a bit instead of letting them go sky high.

Hon. W. K. Warrender (Minister of Labour): What services would the hon. member like to throw out?

Mr. Whicher: One thing I would do would be to cut out a few hon. Ministers over there.

Hon. Mr. Warrender: Name them quickly.

Mr. Whicher: I could not do it all in one breath.

One of the places where a great deal of revenue comes into this province is through the liquor control board. Last year \$80.6 million. Now, I just want to remind the hon. members, Mr. Speaker, of this fact. I had the honour to come into this House in 1956, and at that time, as I remember, the liquor revenue to the treasury of this province was in the neighbourhood of \$39 million—\$39 million to \$40 million.

Mr. A. H. Cowling (High Park): What was the population?

Mr. Whicher: Never mind what the population was. I am simply telling the hon. members this, that the receipts this government is taking from the province of Ontario are mounting and mounting and mounting, and where the end will be I honestly do not know. Eighty million dollars last year. In licences and permits, \$68,270,000.

Now, is any hon. member of the government going to suggest that we are going to increase the licences on the automobiles or the permits for people who drive cars? Because \$61,838,000 of the licences and permits came from motor vehicle licences.

There are other places, small ones, departments where the government takes money from the people of this province. But I have just given these figures, Mr. Speaker, to show that we were really being taxed, and taxed plenty, even before the sales tax came into operation.

Besides these taxes let us remember this: the people of the province of Ontario paid \$750 million in sales tax to our federal friends in Ottawa. Besides the sales tax that the hon. Provincial Treasurer is now going to take, amounting to \$150 million, our Ottawa friends last year took \$750 million in sales tax from the people of this province.

Let me remind the hon. members of this: the gross national product in 1960 for the Dominion of Canada was \$33,807,000,000. Of that figure—the gross national product which is the money used for all the goods and services, every dollar across Canada—30 cents out of every dollar went in the form of taxes.

Just imagine! Of every dollar that was taken in for the price of goods and services, 30 cents goes for the government in Ontario, the government in Ottawa and the governments in municipalities. I think that this is an amazing thing, Mr. Speaker, and if the people of the province knew it they would be sadly disturbed.

Under these circumstances, inasmuch, as I say, that the corporation tax has reached a height, it certainly is as high as any other jurisdiction in Canada, inasmuch, as I feel, that income taxes are reasonably high—I suppose this government could implement a provincial income tax, I know perfectly well they are going to have to do it, but I think the taxes are certainly high enough in this line—my question then to you, Mr. Speaker, is this:

I imagine myself in the hon. Provincial Treasurer's seat and I say: "Where on earth am I going to get the money?" It was under these conditions—because he had taxed the people as high as he could in corporation and income tax fields, and in the licensing and permits, and in the liquor board—they had to go to sales tax. He either had to go to a sales tax, along with his borrowing which he did, namely, \$180 million for this year, or he had to bring a little economy and efficiency into the government of the province of Ontario. I suggest that instead of bringing economy and efficiency, and telling our people that we have only so much money to spend and you are allowed so much out of the pot, instead of bringing that economy, instead of raising these other taxes, instead of borrowing more than \$180 million, he instituted a sales tax.

I say to you, Mr. Speaker, that by the lackadaisical effort in cutting costs this government has encouraged a lack of real work in all government departments. I say, Mr. Speaker, that governments—and they are going to have to do it sooner or later—that democratic governments sooner or later are going to have to run as a business is run. They are going to have to balance their budget, they are going to have to cut out the waste and extravagance that is in every department of this government in the province of Ontario. They are going to have to balance their budget.

Economy must come, Mr. Speaker, from the hon. members who are sitting over there; they are the government.

Hon. J. N. Allan (Provincial Treasurer): The hon. members of the Opposition always want us to spend.

Mr. Whicher: Just a moment, I am not just talking about spending money, I am talking about spending it in a sensible way. Does the hon. Minister want me to tell him one instance where there is a lack of economy in the province of Ontario? I will tell him right now. I think this is an astonishing revelation.

In the O.A.C. at Guelph there are as many employees as there are students. There are as many employees in the Ontario Agricultural College in Guelph as there are students. Now, I suggest to the House that is an astonishing fact. I suggest to hon. members that an efficiency expert should go through places like this, and all departments of government, with a fine tooth comb. These things are costing too much money. The government is not leading the way in efficiency and economy by doing things such as that.

It is as a result of lack of leadership in this government and the government in Ottawa, that we as a province and we as a country financially are in—I should not say a tottering state, but certainly not a good financial state.

Let me read to you, Mr. Speaker, an editorial that was in the *Toronto Daily Star* only two or three days ago entitled:

LOSING OUR LIFE BLOOD

Canada has started to lose the most important part of all its resources. People. Grown men and women with skills and education which Canada needs. That is the price we are paying for our mass unemployment, for our economic stagnation. Immigrants and native born see better chances of employment in other countries. They see more prosperity, greater confidence, a faster tempo of growth in other countries, so they are leaving and their places are not being filled by new arrivals.

The *Toronto Daily Star's* Ottawa bureau chief, Val Sears, told the story in yesterday's *Star*:

Bank of Canada figures show that in the first half of 1961 about 14,000 more people left this country than entered it. Many of those who left were native-born Canadians going to the United States and Britain; many were postwar immigrants returning to Britain and western Europe.

The outflow was especially pronounced in January, February and March, when unemployment reached 719,000—11 per cent of the Canadian labour force. But it was not only unemployment that caused these people to leave, opportunity was another factor. There are more opportunities in expanding economies like those of the United States, Britain and West Germany than there are in an economy like Canada's which is not only stagnant but actually shrinking.

Here again figures tell the story:

Look at the gross national product. The total of all goods and services produced

by all Canadians expressed in constant 1957 dollars, it is running below last year's level. In the first half of 1960, the gross national product ran at the rate of \$33.28 billion—\$33 billion, \$28 million annually. In all of 1960, it ran at the rate of \$33 billion 807 million; in the first half of 1961, it ran at the rate of \$33 billion \$620 million annually, less than it was last year.

This decline in the gross national product means fewer opportunities, lower living standards and this, in turn, leads our people to leave. This is a great tragedy because Canada needs people. What makes the exodus more tragic is that it is totally unnecessary. There is no need for mass unemployment to drive German immigrants back to Germany; there is no need for economic stagnation that drives native-born Canadians to the United States. Canada could prosper if only the Diefenbaker government—

And I might add in here—the Robarts government too:

—would do what leading Canadian businessmen and economists are suggesting. If only it would engage in economic planning designed to restore full employment and healthy national growth, Canada would then keep its people and attract many more.

But the government dillies and dallies, it mumbles and grumbles, it equivocates and procrastinates so the economy drifts and dwindles, so the unemployed multiply, so we lose our life blood and—

the editorial ends:

—this is leadership.

Mr. Cowling: It is a sad, sad story.

Mr. Whicher: Mr. Speaker, I suggest to you when we use the word leadership, as far as this government is concerned and also the one in Ottawa, we have to use it along with another two words instead of leadership, we must say lack of leadership!

Of all the countries in the world, Mr. Speaker, look at Germany. They are advertising for an extra 500,000 workers because they have so much work in Germany that they have not got enough people to do the job. In England today everyone, speaking generally, is at work. As a matter of fact, they have less unemployment there than they have had in years. In France, I understand that the percentage of unemployed is at a strict minimum.

Yet here, in Canada, in a province of which hon. gentlemen opposite are the leaders, we have an economic stagnation that goes right from the top to the bottom.

Mr. Speaker, to get around to the sales tax proposition: because this government has over a period of years got into a great deal of debt—\$1.092 billion, according to the hon. Treasurer's last statement—and because he knew that he was going to be going further into debt by \$180 million this year, he and his government decided that there must be a sales tax. May I say, and I do not want to take too long with this point, Mr. Speaker, that it is a terrific nuisance to the small businessmen in the province of Ontario.

I cannot for the life of me understand why a fresh government, under fresh leadership, would not take a fresh look and do away with some of these nuisances that are fantastic to the small fellow in some of the small towns and cities in this province of Ontario.

For example, here we have—it was quoted I think by my hon. leader and by other people—here we have the fact that when a man goes in to buy six bottles of pop there is a one cent tax on it. Then he may go up the street and buy a Ford or Chevrolet car and pay \$3,000 and \$90 of that sales tax on the \$3,000 goes into the Treasury fund. But the fellow who sells soft drinks in the province of Ontario, of which there are many thousands, he must sell 90,000—what is it?

Hon. J. P. Robarts (Prime Minister): Nine thousand!

Mr. Whicher: Nine thousand cartons of pop with 9,000 different entries in order to get the same amount of money for this government that the automotive dealer can give them in one transaction.

Mr. Cowling: Mr. Speaker, on a point of information I want to draw to your attention that the New Party is not now represented in the House—they are not very interested in what the hon. member has to say.

Mr. Whicher: I am very pleased that the hon. member has brought that to my attention, because I was going to bring that fact to the attention of the House. I must say that I regard it something of a compliment, but I do not know why the whole five of them would have to leave at once.

An hon. member: The party of the whole!

Mr. Whicher: I can only say that after the next election there probably will not be any-

body there anyway. Will hon. members not give me a clap for that?

I want to get back to the soft drinks situation in the province of Ontario; I do not want to get back to that hard stuff over there.

Hon. W. M. Nickle (Minister without Portfolio): I will buy the hon. member soft drinks for Christmas.

Mr. Whicher: I think that the tax law in this province, where a man has to have 9,000 entries in order to get the same amount of money that can be secured on one entry, shows something wrong with that way of doing business.

I say to hon. members, for example, when a man goes in and buys a package of cigarettes that we sell in our own business, on the 45 cent package of cigarettes there is a one cent tax. If he buys two packages of cigarettes there is a three cent tax. Now I say, what kind of justice—I know it is only a matter of a penny—but how can one give excuses to the people of Ontario when they are buying just two packages of cigarettes it is three cents; and when they buy two separate ones, it is only two cents? Surely these are things that even this government could sit down behind the scenes and arrange to eradicate.

I tell you, Mr. Speaker, that is one thing that we are certainly going to do when we take over very shortly.

Let me say this to hon. members. When a man goes in to buy a chocolate bar, a ten cent chocolate bar, no tax whatsoever; he buys two chocolate bars, why we have a tax. The small businessmen of Ontario are so tied up with the way this thing runs that they just do not know what to do.

One place where I did agree with the hon. member for Woodbine (Mr. Bryden) last night was when he mentioned the fact that he felt this government had approached the nth degree of nerve when they made the Canadian Legions in the province of Ontario pay a sales tax on their poppies which are: first, a poppy to honour the dead of the two World Wars; and second, to go into the poppy funds which are used to help the veterans in the province of Ontario.

Several hon. members: Hear, hear!

Mr. Whicher: Mr. Speaker, I think that is going a way too far, and I might say that the members—at any rate the members who were interested—the members of the Canadian

Legion in the province of Ontario certainly did not appreciate it, and I was one of those members. I do not know how many in the House are members; how they can sit there and allow their government to do things such as that is absolutely beyond me.

An hon. member: Shame!

Mr. Whicher: I want to show you, Mr. Speaker—

Hon. Mr. Allan: How much tax was paid?

Mr. Whicher: That is not the point. The point is the principle of the thing, and the lack of principle that the government had in making them pay it.

Let me show you another one, Mr. Speaker. I want to quote from an editorial of one of our local weekly papers in Bruce county. It reads as follows:

Representatives of the provincial sales tax department have been visiting fall fairs in the area to collect taxes on sales made through midway concessions and refreshment booths. In many cases the latter are operated by the fair board or some local organization.

Sales in most instances are for food and drink and are the minimum of \$1.50 and 17 cents respectively.

The Paisley *Advocate* reports—and this is absolutely true—that a sales tax official drove from Owen Sound to Paisley to collect the tax. For driving some 70 miles and spending the afternoon, he collected 52 cents for the government. Business was not so good in the case of the Port Elgin fair where the tax collected was 42 cents. It would be interesting to have the sales tax office indicate how much profit accrued to it from these operations.

Besides this, Mr. Speaker, I want to tell you that the small businessman—particularly the small one—is very perturbed about this tax and the way the government is operating it. For example, there are many of us who cannot afford to spend \$2,500 or \$3,000 for special cash registers, to look after it the way hon. Provincial Treasurer wants it done. We have to keep scribblers, and every night at six o'clock or whenever the store closes, we have to go in to the back room and—for the benefit of these people in the province who are spending a billion dollars a year—we have to keep a record so that the government can have a few paltry cents at the end of each month. We have to make up forms. In the case of a small business which, perhaps, does

not have a secretary, it is a great deal of work. Mr. Speaker, we have to pay for our own stamps. Let me give you an instance in my own case. The hon. member for Woodbine (Mr. Bryden) last night quoted an instance where a man only made a dollar or something like that for a number of hours' work in making out his form. The only thing that we are taxed for in our business in Warrington and Southampton is for soft drinks and cigarettes. For the last two months I have had to make up forms—

Hon. Mr. Allan: Would the hon. member like to have it on the other things?

Mr. Whicher: I have had to make up forms. I made 44 cents and I had \$50 worth of nuisance in making up this form.

Hon. Mr. Allan: The hon. member did not have to have this nuisance.

Mr. Whicher: Now, Mr. Speaker, I want to come to a most important part, because all is not lost to the people of the province of Ontario. What they can do, Mr. Speaker, is say: "Let's get rid of all this nonsense and kick you fellows out and put in a government that will do something about it." Mr. Speaker, before we could say to them "kick these fellows out," we had to bring forth a plan and that plan—

Hon. Mr. Allan: What is the plan?

Mr. Whicher: I am going to give it right now, and I hope that the hon. Provincial Treasurer digests it because it will be some of the best reasoning that he has had for a long time.

This plan has a special name. This is the Wintermeyer plan. It is the Wintermeyer plan for the exemption of sales tax on all items costing less than \$25. Before I finish, I am going to explain to you that the government is talking nonsense when it says it is going to be able to collect only a few million dollars because of our exemptions. It is nonsense. I am going to prove that to you in black and white figures, and I suggest to the hon. Provincial Treasurer that, if his officials do not agree with my figures, he had better send them back to school and teach them how to add, because my figures are correct.

This is the Wintermeyer plan. John Wintermeyer announced today that a Liberal government will exempt from sales tax all items costing less than \$25. No tax on toothpaste, no tax on Kleenex, or all the

things that we have in grocery stores today. Almost everything the housewife buys on a week-to-week basis will be exempt. About 75 per cent of Ontario's retailers—and this is the important part—those selling food, groceries, hats, shirts, shoes, children's clothing, drugs, hardware, books and sundries will be free of the burden of collecting taxes. The exemption would practically eliminate the nuisance and irritation of the present tax system for taxpayers and retailers. I have this underlined here and I want hon. members to underline it in their minds. The present tax has been ill-conceived, ill-timed and ill-treated. It has not been imposed to provide additional services, it has not been imposed to improve education, health or social services. It has been imposed by the government to pay old debts and to pay the cost of Conservative bad management of Ontario's affairs. I should say "partly pay old debts".

Mr. Speaker, when the Conservative government in Toronto was unable to collect on Mr. Diefenbaker's promise of a better tax deal, they rushed into imposing a retail sales tax that was not properly thought out and which was not introduced in a businesslike way. Had the government proceeded in a businesslike way, with some care and concern for taxpayers and retail merchants, they could have done a much better job with a lot less irritation.

The Liberal party makes its proposal for a \$25 exemption after detailed and expert study of the problem, and with the desire to produce the least possible inconvenience for all. The present tax is expected to yield \$150 million per year. The tax with the Liberal party's \$25 exemption—and I will prove this later, Mr. Speaker—would raise about \$115 million and do away with many nuisances.

The advantages of the Liberal exemption are many. It would virtually remove the tax from necessities and provide almost total exemption for the pensioners. It would remove the burden of collecting tax from approximately 75 per cent of Ontario's retail merchants and free them from the problems of extra bookkeeping, training staff, filling in government reports and submitting to government audits. The Liberal exemption would remove the great mass of interpretive problems and the present regulations concerning children's clothing, drugs, confections,

office supplies, books, repair parts for farm machinery and supplies.

Nearly \$100 million, and this is what I want to emphasize to the hon. Provincial Treasurer, nearly \$100 million in sales tax revenue will be raised from construction materials, machinery and equipment, new and used cars, liquor, furniture and appliances. These are big dollar items and would not be exempt under the Liberal party's \$25 exemption.

There will be no change in the tax on restaurant meals over \$1.50, telephone charges, cigarettes. Keeping track of pennies on millions of small sales reduces by a maximum the amount of irritation to customers and merchants; and the cost of collection on a proportionately small revenue.

We as a party think this is a sound constructive way to approach sales tax in Ontario. The Liberal party intends to implement this proposal when it forms the next government.

Mr. Speaker, I do not want at this time to go any further as far as breaking down the amount to show and prove that under our plan we can collect \$115 million. I will do that. My hope is this, Mr. Speaker, that the hon. Provincial Treasurer will be in his seat tomorrow when I tell him, and through him all the people of this province, how we can collect this money, do away with all these nuisances and make the people a little bit happier.

Mr. Whicher moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, tomorrow we will proceed with the orders as they appear on the order paper. There are a few bills to be taken through in committee stage, and we can resume this debate. I had intended to call—strangely enough before the last speaker's contribution to the Throne debate—but I intended to call order No. 21, the second reading of Bill No. 47, An Act to amend The Retail Sales Tax Act, 1960-61.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.00 o'clock, p.m.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, December 14, 1961
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 14, 1961

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

ONTARIO CODE OF HUMAN RIGHTS

Hon. W. K. Warrender (Minister of Labour) moves first reading of bill intituled An Act to establish the Ontario Code of Human Rights and provide for its administration.

Motion agreed to; first reading of the bill.

Hon. W. K. Warrender (Minister of Labour): The purpose of this bill, Mr. Speaker, is to consolidate our human rights legislation and to simplify its administration.

With us in Ontario it has always been a basic principle that everyone should have an equal opportunity to direct his life toward what he thinks will be the most rewarding objectives. The legislation now before us is, I believe, a major step forward in assuring everyone in this province an equal opportunity toward this end.

This bill incorporates into the Ontario Code of Human Rights various Acts which the Legislature has approved in the past to emphasize our public policy in this province that every person is free and equal in dignity and rights without regard to race, creed, colour, nationality, ancestry or place of origin.

We do not believe that it is right for anybody to be refused employment, housing accommodation or public services and facilities merely because of his particular race, colour or creed. Nor do we believe that women who are doing the same work as men in the same establishment should be paid less because they are women.

These principles have been established publicly since 1944 when the Legislature approved The Racial Discrimination Act. Seven years later, in 1951, we approved The Fair Employment Practices Act and The Female Employees' Fair Remuneration Act. In 1954 we adopted The Fair Accommodation Practices Act and in 1958 we established the Ontario Anti-Discrimination Commission. Last spring, this body was renamed the Ontario Human Rights Commission. Under the Act now before the Legislature the commission will carry on.

By placing before the Legislature today this Act to establish the Ontario Code of Human Rights, the government is demonstrating that it is aware of continually changing conditions and changing attitudes and is quick to take every step possible to see that discrimination is eliminated from the province of Ontario.

In all modesty, Mr. Speaker, I want to suggest that Ontario has a human rights code which is equal to the best of any similar legislation on this continent.

Indeed, Ontario has been the trail-blazer in Canada of this type of legislation. As time goes on, and as new needs become apparent, our Ontario Human Rights Code will continue to keep pace with the requirements of the people of our province.

I do not need to remind you, Mr. Speaker, that the mere existence of legislation is far from being the total answer to the problem. This is particularly true with discrimination.

Prejudice, the attitude of mind which gives rise to acts of discrimination, is rooted very deeply in human personality. It is based on lack of sensitivity, or misunderstanding or ignorance, or stubbornness. At worst, it is the failure to recognize a fellow human being as a human being.

Prejudice cannot be dug out and eliminated by the passage of a statute, but its outward manifestations can be curbed. Artificial barriers denying equality of opportunity to our fellow human beings can be breached and torn down.

In conclusion, Mr. Speaker, may I leave this thought with you: we all agree that respect for the dignity and the rights of every human being is the foundation stone of peace and justice in this country and this world. The promotion of the kind of society where men and women of all races and creeds can come together in co-operation and goodwill is the basic objective of Ontario's Code of Human Rights.

Mr. K. Bryden (Woodbine): Mr. Speaker, are there any new principles in this bill in addition to the principles contained in the various statutes which I understand are being consolidated by the bill?

Hon. Mr. Warrender: I would say there are no new principles at this time, Mr. Speaker. It is a consolidation of the statutes now on our books.

Mr. V. M. Singer (York Centre): Has there been anything taken away from the principles already in the other bill?

Hon. Mr. Warrender: Nothing that I know of.

Mr. Speaker: I would ask the indulgence of the House for a moment at this time in the reading of a short letter. In the way I understand the English language, this letter would be called non-political.

DEAR MR. SPEAKER:

With reference to the typing of the second line on page 111 of the mimeographed copy of the report of the Attorney-General's committee on the enforcement of the law relating to gambling of November 6, 1961, signed by Professor D. Morton and Mr. Rolf Eng, the words appear "a political" when, in fact, I am informed it was the intention of the authors that it be "apolitical."

"Apolitical," according to Webster's Third New International Dictionary, means:

"Having an aversion for or no interest or involvement in political affairs—without political significance."

It will be apparent from a reading of the whole preceding paragraph on the bottom of page 110 along with the paragraph on page 111 that the meaning is "apolitical" and not "a political."

Yours very sincerely,

And it is signed by the hon. Attorney-General (Mr. Roberts).

DEPARTMENT OF AGRICULTURE

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, before the orders of the day I would like to inform hon. members of certain changes which are being made in the administration and organization of The Department of Agriculture. These changes are effective immediately.

I am sure that I am expressing the feelings of all farmers in this province, and of the members of this House, when I say that it was with a great deal of regret we learned that because of ill health it was necessary on December 1 for Dr. C. D. Graham to retire as deputy Minister of Agriculture. I am sure as well that the hon. members would agree with me that it is most fitting at this time, as Minister of Agriculture, I publicly express these regrets so that they may become a permanent record of this province.

Dr. Graham, or Cliff, as he has been so well known by his multitude of friends across this province, has made a contribution to agriculture over the years which cannot in any way be adequately recognized by mere words. Cliff Graham throughout his life of service to agriculture in this province, from the beginning as an assistant agricultural representative in my own home county of Middlesex, to the time he accepted the major responsibility as senior administrator, has led an unselfish and dedicated life to the welfare of the farmers of Ontario.

This dedicated service, stretching over a period of 33 years, has been one of complete unselfishness, a record of unbiased administration and a lifetime of responsibility acceptance which at all times resulted in a ready willingness of personal self-sacrifice and far too often a neglect of personal pleasures and relaxation. While, as I have stated, it is impossible to express the gratitude of the farmers of this province to Dr. Graham in mere words, the mark which he has left in this province through his work with junior farmers, farm organizations and government administration will live on as a lasting edifice to his unselfish dedication of purpose. While Dr. Graham has retired, I am still hopeful that we will still have the advantage of his wisdom and experience in agricultural matters from time to time.

I am therefore sure that the hon. members assembled here today will join with me in unanimously expressing a sincere and heartfelt thank-you to an outstanding civil servant and citizen of this province who at all times throughout his life, has made contributions far beyond what might be normally expected in his day to day responsibilities and duties.

Every department of government in order to be truly effective must have an administrative staff and organization which is sound and which is adequately equipped in every way to support the Minister and to carry out the policies as laid down. As a practising farmer, I feel that at this time as well I can be excused if I momentarily step out of my role as the Minister of Agriculture and express a personal opinion, which I believe is shared by the vast majority of farmers in this province with reference to the personnel of The Ontario Department of Agriculture. Since my younger days as a junior farmer, when I first came in contact with The Ontario Department of Agriculture through the agricultural representative service and subsequently with other branches of the departmental administration, I have never ceased to be impressed by the very high calibre of men who have come forward and willingly served this important industry of our province.

In one way, therefore, sir, when the Minister of Agriculture must consider new appointments, it is relatively easy to find men who have the capabilities for accepting senior administrative responsibilities. On the other hand, because of the high calibre of so many of our departmental personnel, it is also most difficult to make a choice.

With your permission, Mr. Speaker, I think at this time it would also be quite proper for me to pay a tribute to my predecessor now hon. Minister of Highways (Mr. Goodfellow), not only for the realistic leadership which he displayed while he was Minister of Agriculture of the province, but as well for the changes inaugurated within the departmental administration almost two years ago which today form the foundation for a further streamlining of the departmental administration to meet the changing conditions and the new complexities of our agricultural economy.

On January 7, 1960, the then Minister (Mr. Goodfellow) stated that the functions of The Department of Agriculture were being separated into a division of marketing and a division of production which would provide for a more efficient co-ordinated programme. He also stated, and I quote:

With our greatly increased population and thereby more consumers, and with fewer farmers on the land, it is increasingly important that every possible step be taken to safeguard our basic industry. The reorganization has been planned to meet the demands of the farm population who are faced with many difficulties, both in the field of marketing and production.

Fantastic strides have been made by our Ontario farmers in improving production techniques. While the efforts on the production side must be pushed on with no relaxation, this government over the past few years has realized that the farmer is operating in an organized society.

It has recognized, as well, that the average farmer is very involved and busy in the business of producing various commodities and quite often finds himself in a very weak bargaining position as an individual in the marketing and selling of his crops. Far reaching marketing machinery has, therefore, been provided under our Ontario Farm Products Marketing Act and our Ontario Milk Industry Act, whereby farmers if they so wished could bargain and market collectively.

There is no doubt that collective marketing has been accepted by the vast majority of the farmers of this province. This is borne out by the fact that there are presently 32 different agricultural commodities being marketed collectively under the two statutes already mentioned. There are at least three other commodities for which a marketing plan is being developed at the moment—two of which will likely be submitted to a vote of the producers in the near future.

The necessity of collective action by farmers and strong farm marketing organization is, therefore, placing a changing complexion on the responsibilities of The Ontario Department of Agriculture. We have, therefore, moved with the times in the acceptance of our departmental responsibilities, and while maintaining the strongest possible efforts in basic production and allied matters through research and our extension service, at the same time marketing machinery has been provided and has been accepted and utilized by the farmers of this province. While we recognize that as a province there are certain limiting factors exerted on the real effectiveness of our marketing machinery because of slightly different organization or lack of organization in producer marketing in other provinces; by the same token, it is our determination and a most necessary aim to push on provincially with the hope that eventually we will see truly effective producer marketing co-ordinated on an inter-provincial basis. Real steps have already been taken by this government on these matters.

Discussions have been held with other provinces and I would like to personally commend the initiative of the former hon. Minister of Agriculture (Mr. Goodfellow) a little over a year ago for initiating discussions with that very important sister agricultural

province, Quebec. It is to his credit and to the credit of The Quebec Department of Agriculture that a very close liaison and working relationship has been created.

A few months ago, the former hon. Minister recognized as well, that an additional step towards the strengthening of agricultural marketing in this province was necessary, and he formed the markets development branch. It is the aim and purpose of this branch to co-operate with farmers, with marketing boards and the agricultural industry generally, to do everything possible to increase the sales of Ontario farm products both at home and overseas.

We have gone a long way in mastering the techniques of production. While, as mentioned before, improvements must continue in this phase of agricultural activity, we must now continue to press on and in our policies and activities and in the over-all organization of the department give increasing emphasis to ways and means of strengthening the farmers' bargaining position in the market place.

The farmer today is being faced with ever-increasing buyer strength. This can only be met by an increased selling strength and collective action on the part of the farmer. It is my dedicated purpose and that of The Ontario Department of Agriculture to do everything possible to provide the machinery and any other help we can, to give the farmers of this province a stronger voice when they meet with buyers, and through such strength receive the increased financial returns which every farmer is entitled to.

The re-organization of The Ontario Department of Agriculture which is effective today and which I referred to at the beginning of my remarks, has been brought about to place the greatest possible emphasis on marketing, to maintain, improve and carry on our efforts in the fields of production and extension and, at the same time, provide for a balanced internal administration of the department which will result in the most efficient use of time, money and personnel.

I have instructed the new Deputy Minister of Agriculture, who has been appointed today, that he must maintain the utmost responsibility for the administration of marketing policies and the improvement of marketing machinery and techniques for the farmers. With this idea in mind, the Ontario Farm Products Marketing Board and the Milk Industry Board have been placed at the top of the administrative chain, with the respective chairmen maintaining direct liaison with the deputy minister.

At this time, I should pay a special tribute to Mr. George McCague, chairman of the Ontario Farm Products Marketing Board. Mr. McCague has been a successful farmer and a leader in farm organizations. He has given unselfish and untiring leadership in the administration of his responsibilities as chairman, and without a doubt is appreciated and respected by the farmers across this province not only because of his abilities as a leader and as an administrator, but because of his proven ability as a practical farmer as well.

Under the deputy minister, the department, effective today, is organized into four main divisions; the production and extension division, the marketing division, the Agricultural Research Institute, and a division of administration. The production and extension division and the marketing division were organized by the former hon. Minister in January, 1960.

This House will be asked to approve a bill providing for an Agricultural Research Institute. It will be the responsibility of the Agricultural Research Institute to co-ordinate the expenditures of research monies provided by this government and to ensure that the research programmes which are carried on meet the requirements of the various sections of agriculture and that personnel and facilities are used to the best advantage.

The administration division has been organized to relieve the deputy minister of the many sundry but extremely important details of administration and at the same time streamline and co-ordinate certain of the administrative procedures and practices, to obtain the utmost efficiency.

I am very pleased to announce to this House that today, Mr. Everett M. Biggs, former assistant deputy minister in charge of marketing, has been appointed as Deputy Minister of Agriculture for Ontario. Mr. Biggs is well known to the agricultural industry of this province. He was a former assistant agricultural representative in Middlesex county and later agricultural representative in the county of Peel. He served as dairy commissioner from 1951 until January 7, 1960, when he was appointed as assistant deputy minister in charge of marketing.

He is a young man. He was born on a mixed farm in Renfrew county and is a graduate of the Ontario Agricultural College. In addition to this, he took post-graduate work in the University of London, England, in agricultural marketing which was followed by a comprehensive study of agricultural production and marketing in continental Europe. He is well acquainted with the broad aspects of

agriculture in Ontario and in Canada, and because of his activities in the dairy and marketing field has gained broad contacts and knowledge over the year of international production and marketing picture.

Mr. T. R. Hilliard, formerly assistant deputy minister in charge of production, will continue as assistant deputy minister with the responsibilities of the supervision and co-ordination of the administration division. Mr. Hilliard has been with the service of The Ontario Department of Agriculture since 1940. He has a broad knowledge of Ontario agriculture through his early work with the extension service. He made an outstanding contribution as director of extension for this province, and his ability as an administrator has moved him up rapidly in the ranks of the service. Under the capable guidance of Mr. Hilliard we feel sure that the details of administration will be handled in the best possible manner.

Mr. W. P. Watson, former livestock commissioner, has been appointed as chief of the production and extension division. Mr. Watson has long been associated with the livestock industry of this province. He has been concerned with all of the basic livestock policies which have brought the livestock industry of this province to the forefront of the world. Not only is he recognized and highly respected by the livestock men of Ontario but across Canada as well. Bill Watson's reputation has passed beyond the Canadian boundary and he has received many honours and is currently an active member and giving leadership in several livestock activities in the United States. This is not only a tribute to him personally, and to his ability, but is an honour to the livestock industry of this province.

A decision has not as yet been reached regarding the appointment of chief of the marketing division. This is a most important appointment which entails great responsibility, and every care is being taken in his selection.

As has been previously announced, Dr. D. N. Huntley, formerly head of the field husbandry department, Ontario Agricultural College, has been appointed director of the Agricultural Research Institute. Dr. Huntley has had many years as a successful teacher, research worker and administrator. While being an academic person on one hand, by the same token he is a most practical person and has a very thorough knowledge of the research requirements of the agricultural industry in Ontario and there is no doubt

that he will be in a position to provide the necessary co-ordination and leadership, in the development and carrying out of research projects and policies.

Mr. R. H. Graham, formerly associate livestock commissioner, has been appointed to succeed Mr. Watson as commissioner. Mr. Graham has had long years of service with the livestock industry in this province. He is well known. He has the knowledge and understanding which will allow him to continue along the very realistic and successful course which has been so ably laid down by the former livestock commissioner.

Mr. Speaker, hon. members, I felt that such a major adjustment in the administration of The Department of Agriculture should be announced on the floor of this House rather than through the medium of a formal press release.

Mr. E. W. Sopha (Sudbury): On a point of order, Mr. Speaker, I want to suggest to you, sir, that there has been a gross abuse of the rules of this House in the foregoing statement by the hon. Minister of Agriculture (Mr. Stewart). And I want to say that as I understand the rules—in this case Lewis is silent in the written rules and there is nothing in Lewis' book about this—but in Sir Erskine May, as I understand the rule, it is that a Minister may rise in his place before the orders of the day and may, with the indulgence of the House, make a brief statement on government policy.

Now may I recall to you, sir, as the defender of the rights of the Opposition for which we always protest, the other day when the hon. leader of the Opposition (Mr. Wintermeyer) stopped to explain his motion, when he moved to adjourn the House, you refused him that right. I suggested to you at that time that, with the indulgence of the House, he might make a few brief explanatory remarks and by means of the majority on that side and by your refusal, sir, he was refused that permission. And now, today, an hon. Minister of the Crown, in anticipation of the speech of the hon. member for Grey South (Mr. Oliver), who is going to speak on agriculture, usurped the time of the House.

Mr. Speaker: The hon. member (Mr. Sopha) has usurped the time of the House and I presume that this is his point of order. It has always been understood in this House that hon. Ministers are expected to make statements concerning their departments before the orders of the day. If they did not make these statements, they would probably be asked questions along those lines in any event.

Mr. Sopha: Will you hear my point of order, sir? My point of order, sir, is that he was in breach of the rules of the House, that he inflicted himself upon us and made a gross political speech.

Mr. Speaker: I have presumed to have heard now the point of order.

Mr. D. C. MacDonald (York South): Mr. Speaker, now that this matter is before us, I want to rise and support the hon. member for Sudbury (Mr. Sopha). We have submitted questions before the orders of the day and you have seen fit to edit everything out of them except the simple question, and various other procedures along this line. I submit to you that what happened this afternoon was that the hon. Minister of Agriculture (Mr. Stewart) rose and did not just announce changes in his department—which is his right—but he usurped this position before the orders of the day to deliver a political speech on the eve of by-election campaigns as we come to the end of the session. Now, Mr. Speaker, I know your position is a difficult one—

Mr. A. H. Cowling (High Park): Could the hon. member think of a better time to give it?

Mr. MacDonald: Okay. The hon. member for High Park (Mr. Cowling) has, in effect, just endorsed what I have said, namely, that this was a political speech. So now I feel even more emboldened to make my point.

Mr. Speaker, I know your position is a very difficult one, but if the hon. Ministers are going to get up and make political speeches and you see fit not to interrupt, I am going to find it even more difficult the next time when I want to explain questions before the orders of the day, to submit to your editing.

Mr. Speaker: I can assure the House that the Speaker is willing to take his chances with what comes before the House with the hon. Ministers along the lines suggested by the hon. members who have just spoken.

Mr. MacDonald: Mr. Speaker, I now rise on a question of privilege in a different mood and tone altogether.

When I came in the House this afternoon, Mr. Speaker, I found myself the subject of acclaim. Hon. members all understand that this startled me because it happens very rarely.

I turned and walked to my seat and I was even more surprised when I saw this wreath and black ribbon. My first reaction was to say, along with Mark Twain, that "the announcement of my death is premature." Then

I realized that undoubtedly one of my colleagues in the House here was seeking to remind me of a by-election in Weyburn.

Mr. Speaker, I want to say to you that the by-election in Weyburn was a profoundly significant event in Canadian history. What happened, Mr. Speaker, in Weyburn is that there was a coalition of Liberals and Conservatives and Social Credit and, it is true, I concede it, I acknowledge it, the New Democratic Party was 500 votes behind—500 or 600 votes behind.

Mr. Speaker, we acknowledge this margin and we are going to work to close the gap. But this wreath here, Mr. Speaker, is a wreath for the death of the Tory party in Saskatchewan. It was not in the fight at all. I hope the editorial writers in the *Toronto Globe and Mail* who have brownbeaten us, Liberals and CCF, for not running in by-elections in this province, will now browbeat the Tories out in Saskatchewan.

However, Mr. Speaker, this is not a strange event. A few years ago the Liberals "died" and supported the Tories to defeat that beloved Bill Grummett, one of the pioneers of the north, up in Timmins. In other words, Mr. Speaker, what has happened is a fulfillment of the prediction of the former hon. Prime Minister (Mr. Frost) of this province, that there is emerging in this country a coalition of Liberals and Conservatives against the New Democratic Party.

Mr. Speaker: I am not presuming to cut the hon. member off in his remarks, but I am just taking a point at this time in presuming that the hon. member still has the indulgence of the House.

Mr. MacDonald: Well, Mr. Speaker, I am finished. Just this very final comment: the announcement of our political death is premature, but there is another one that is not so premature. I would ask the page boy to deliver this to the hon. Attorney-General (Mr. Roberts). The hon. Attorney-General has acted with his usual dignity on the floor of the House.

Mr. T. D. Thomas (Oshawa): Real temper, real temper!

Mr. MacDonald: Mr. Speaker, before the orders of the day, I have two questions that I would like to ask. The first one is of the hon. Prime Minister (Mr. Roberts): Is it the intention of the government to proceed with redistribution in the current session, and if so, will the hon. Prime Minister indicate whether redistribution will this time be removed from politics and placed with an independent body?

Mr. V. M. Singer (York Centre): Mr. Speaker, before the hon. Prime Minister answers that, may I draw to the attention of the House that I gave a notice of motion placing this matter on the order paper yesterday?

Hon. J. P. Robarts (Prime Minister): I do not know what the difficulty is across the House but I am quite prepared to answer the two questions. The answer to the first question is "Yes" and the answer to the second question is that the methods to be followed to effect redistribution are presently under consideration and will be announced later in the session.

Mr. Bryden: Did the hon. Prime Minister consult John about it?

Mr. MacDonald: Mr. Speaker, my second question is addressed to the hon. Minister of Highways (Mr. Goodfellow). A news story in this morning's *Toronto Globe and Mail* quotes Murray Jones, Metro director of planning, as stating that the decision of the Metro Council regarding the Spadina Expressway may be nullified by the province. Will the hon. Minister inform the House whether this is true or likely?

Hon. W. A. Goodfellow (Minister of Highways): Mr. Speaker, in reply to the question from the hon. member for York South, I hope that my remarks cannot possibly be interpreted as political. But I have read that in the press, that the Metropolitan Council apparently has decided to build or to recommend the building of a portion of the Spadina Expressway from Highway 401 to, I think, Lawrence Avenue.

It is questionable whether The Department of Highways would be justified in making provision for access to 401 at this point. But I am assured by the chief planning engineer of The Department of Highways that should Metropolitan Council, with their usual good judgment, decide to extend the Spadina Expressway at some future date, provision will be made on 401 for an intersection to be created at that time.

Mr. R. M. Whicher (Bruce): Mr. Speaker, before the orders of the day, I would like to say just a few words about the wreath that was placed on the desk of the hon. member for York South (Mr. MacDonald). I might say that wreaths are given in a very kindly, sympathetic way, and that was the reason that this was presented to him. But I must say that generally they are given when people are dead, and certainly he is

not dead. On the other hand it was given because his party died yesterday in Saskatchewan.

I just want to point out, Mr. Speaker, that it was not the death of the New Democratic Party across Canada. The main thing was that it was the death of a C.C.F. seat that was held by Tommy Douglas. I did want to say one thing more, Mr. Speaker, that now we know why Mr. Douglas tried to go to Ottawa, because he knew he could not win again in Saskatchewan.

Mr. MacDonald: The Liberal Party could not have won without the Tories.

Mr. Speaker: Order, order.

Mr. L. Troy (Nipissing): Mr. Speaker, before the orders of the day I have a question to direct to the hon. Minister of Municipal Affairs (Mr. Cass). I had already submitted questions 48 hours ago to the chief commissioner of The Liquor Control Board. He must be getting the answers by semaphore.

This is the question to the hon. Minister of Municipal Affairs: Many months ago the city of North Bay submitted to The Department of Municipal Affairs for approval, a pension plan for its civic employees. Would the hon. Minister inform this House when they and other municipalities similarly concerned may expect a decision?

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, in answer to that, I could say "in due course." I would like to amplify that for the information, not only of the hon. member, but of certain other hon. members who have municipalities in somewhat similar circumstances.

First of all the regulations under which pension plans for municipal employees are presently authorized apparently do not fit the desires of most of the municipalities in which pension plans are desired. So when these plans come in, they must be very carefully vetted by the officials in the department and a great deal of discussion must take place between the officials of my department and the officials of the municipalities concerned. In this instance this has been so, although I believe in the last two months or so there has been no communication between my officials and those of the city. I am rectifying that forthwith.

This whole situation is one which is under constant study by the officials of the department. Many of these plans, as they come in, require a very considerable amendment to make them conform to the present regulations,

and there is some doubt in some minds that those regulations are as good as they might be. So I may assure the hon. member that this particular plan has not been forgotten. It is being carefully checked over, and also I may assure that hon. member and others with similar plans in their ridings that the whole subject is under very active review.

Mr. Troy: May I ask a supplementary question after that answer? Is it true that a comprehensive plan is already before the Cabinet and "in due course" may mean a couple of weeks after this House has finished its sittings?

Hon. Mr. Cass: I have no knowledge of any such situation, Mr. Speaker.

Hon. Mr. Warrender: Before the orders of the day. On December 5, the hon. member for York South (Mr. MacDonald) drew to my attention the case of Carlo Bellisario, a mechanic with an Italian background. The hon. member suggested to this Legislature that this man had been unable to get his auto mechanic's papers because of difficulties with the English language. The hon. member also left the impression that this man was a most competent mechanic and further left the impression that here was a man to whom a great deal of injustice had been done.

At that time I assured the hon. member that regulations of my department do not prevent men trying for auto mechanic's papers because they do not speak English. The regulations are there to determine whether a man has the necessary experience and ability and competence in order to carry on as a mechanic. I also assured the hon. member that the case would be followed up and every opportunity would be given immediately to the man in question to try the examination. This has been done and I want now to present the full facts to demonstrate that my department has done its utmost to help this man obtain his certificate—a man who is supposed to be a very competent mechanic.

Mr. Bellisario first applied for a certificate of qualification on October 13 of this year. He was accompanied by an English-speaking York township fireman. Mr. Bellisario produced written proof that he had worked under the supervision of a certified mechanic for approximately 48 months. The name of the mechanic was not given. He also produced evidence that he had been employed by another firm for 23 months.

In both cases, it was simply stated that he was in the mechanical repair business but

there was no detail given as to the type of work done by Mr. Bellisario. He then completed an application for a certificate of qualification and, as is the usual practice in the apprenticeship branch, a member of the staff suggested Mr. Bellisario write the qualifying examination to see if some credit for experience in years could be arrived at. If the amount of credit had come to a total of five years, he would then have been allowed to write the examination for certificate of qualification.

Mr. Bellisario then, with the assistance of his interpreter, wrote the qualifying examination, which is purely objective, with Yes and No answers. He was given a three years credit; it was a very generous credit.

After taking into consideration the fact that because he was unfamiliar with the English language he might have had difficulty in even doing a good job with the qualifying examination, every effort, I can assure hon. members was made to give him the maximum amount of credit which could be given.

A letter of authority was then issued to Mr. Bellisario's employer, authorizing him to employ Mr. Bellisario until September, 1963 without a certificate of qualification. This was done so that Mr. Bellisario would not be violating the regulations but would still have an opportunity to become more familiar with the technical terminology.

We suggested to Mr. Bellisario that he attend night classes at the Provincial Institute of Trades on Nassau Street here in Toronto. Our staff felt that if he did this he would be able to qualify for a certificate of qualification at a later date.

So far as we can determine he has never registered at the school.

We arranged to have Mr. Bellisario rewrite his examination with an interpreter on December 8. That was 3 days after the question was raised by the hon. member for York South (Mr. MacDonald). He failed to appear but reported he had been unable to find an interpreter. Arrangements were made for him to try again on December 11. On this occasion he brought as an interpreter a used-car salesman, who did not have even a fair knowledge of auto mechanics.

Mr. Bellisario appeared again on December 12 with Father Joseph Carraro, a Roman Catholic priest who is well known and highly respected by the apprenticeship branch. Father Carraro has done a great deal of work with the ethnic groups and works very closely with our apprenticeship branch.

After a short while at the examination,

Father Carraro advised my staff that Mr. Bellisario did not know the technical terms which were required to pass the examination. He further suggested that Mr. Bellisario was not very clear with his answers regardless of the language problem.

At Father Carraro's suggestion he will tutor Mr. Bellisario, and an opportunity for Mr. Bellisario to write again will be provided just as soon as Father Carraro feels he is ready.

Here are the results of the examination Mr. Bellisario tried on December 12—this man who was represented by the hon. member for York South as being a most competent mechanic. There are 250 questions on the examination. Through his interpreter Mr. Bellisario tried to answer a total of 36 questions. He failed to answer five at all, and out of the others he was given a credit for 12 correct answers.

On a percentage basis of the final examination, Mr. Bellisario had a total of 4.8 per cent.

The fee of \$5, required before an examination is tried, is being held to the credit of Mr. Bellisario for his next examination.

Mr. MacDonald: I just want to make this one brief explanation. If I have misled the House and misled the hon. Minister (Mr. Warrender) it was on the basis of information that was given to me by his employer who is a very responsible citizen and very active in the community in York township. He said to me that Mr. Bellisario could take a car apart and put it together with his eyes closed. If this is the case I am not disputing it, but I was passing on information from a responsible citizen who is the employer of this man.

Hon. Mr. Warrender: Just another example of misleading information given in the House.

Mr. Troy: I observe that the Chief Commissioner of the Liquor Control Board (Mr. Grossman) is now in his seat. I wonder if he now has the answers to my questions?

Hon. A. Grossman (Minister without Portfolio): Well, Mr. Speaker, I explained to the hon. member yesterday that I had not received a copy of his questions and I found out late yesterday afternoon that it had gone to the Speaker's office and had been handed over to the Cabinet office because they thought I was in there. It then went down to the Liquor Control Board head office, and this is the first day I have been down there for a week because I have been busy here.

Interjection by an hon. member.

Hon. Mr. Grossman: It is very difficult to get it done as quickly as they desire, but I am doing my best, with whatever ability the Lord endowed me. I have been down there for about 30 minutes today. I found it on my desk and I have asked for the information. Just as soon as I have it, the House will get it.

Mr. Troy: It is as close as his telephone—Mattawa.

Mr. J. Trotter (Parkdale): Mr. Speaker, before the orders of the day, I have a couple of questions.

The first is directed to the hon. Minister of Reform Institutions (Mr. Haskett). The grand jury report, for the present sittings of the general sessions of the peace for the county of York dated December 11, 1961, states that the grand jury was not allowed to see departmental reports on the operations of the Don Jail and the Ontario Reformatory, Mimico.

Will the hon. Minister table in the House the departmental reports for the last two years on the operations of the Don Jail and the Ontario Reformatory, Mimico?

Hon. I. Haskett (Minister of Reform Institutions): Mr. Speaker, the hon. member for Parkdale (Mr. Trotter) courteously provided me with a copy of this question.

He inquires: will the Minister table in this House the departmental reports for the last two years on the operations of the Don Jail and the Ontario Reformatory at Mimico?

This is a matter, Mr. Speaker, I think I should like to take under consideration.

Mr. Trotter: Well, how long will it take the hon. Minister to consider this, because with the Christmas holiday we will not be back here for some time? Will he have an answer tomorrow?

Hon. Mr. Haskett: If I might answer that, Mr. Speaker, it would be in those words which are well known in this House—

Several hon. members: In the fullness of time.

Mr. Trotter: From experience, Mr. Speaker, I say the fullness of time is a long time.

My second question is directed to the hon. Attorney-General (Mr. Roberts). According to an article appearing in the December 13 issue of the *Toronto Daily Star*, under

the byline of Leonard Bertin, there is a great inconsistency between the assurance of the hon. Minister of Health (Mr. Dymond) that people suspected of being mentally ill need not be taken to jail and the pronouncements of unnamed legal advisers in the government.

Would the hon. Attorney-General answer the following:

1. Are the unnamed government legal advisers correct when, for all practical purposes, they say the hon. Minister of Health's ministerial directive is meaningless?

2. What is the hon. Attorney-General's interpretation of the relevant statute where it says a person who is charged only with being mentally sick shall be sent to a "safe and comfortable place"?

Hon. A. K. Roberts (Attorney-General): Well, Mr. Speaker, I could answer these two questions very tersely—with the answer "No" to the first part and with the answer, "includes a mental hospital" to the second. But knowing the hon. member for Parkdale (Mr. Trotter) and believing he is seeking some information and not merely trying to be embarrassing on this question, I will elaborate a little on this.

There was some suggestion in the article referred to that the words "safe and comfortable place" might be replaced by the words "a mental hospital". Back in 1959, there was an amendment to The Mental Hospitals Act and at that time discussions did take place between my department and the department of the hon. Minister of Health (Mr. Dymond) and it was felt that the words "safe and comfortable place" should remain. One of the reasons for that was that if you supplanted them by "a mental hospital" there could be cases where there would be no availability in a mental hospital or that the mental hospital itself would not be available anywhere within hundreds of miles of the particular unfortunate patient who might have been apprehended under The Mental Hospitals Act as being mentally ill. Therefore, the retention of those words was recommended and was followed; but the advice, very definitely, of my legal department, with which I concur, is that a "safe and comfortable place" mentioned in The Mental Hospitals Act includes a mental hospital.

I might also say that because it was necessary in some instances to place persons, charged with being mentally ill, in jails after the examination and prior to the hearing under The Mental Hospitals Act, the 24-hour rule was passed. A person had to be brought

before a magistrate within 24 hours before the hearing was ordered. The magistrate then must immediately order a mental examination, after which the magistrate must deal with the charge at the next sitting of the court.

Mr. Trotter: I take it then, Mr. Speaker, from what the hon. Attorney-General said in the last part, that people who are mentally sick will still be taken to jail until they appear before a magistrate?

Hon. Mr. Roberts: No. I am referring to that procedure that is, in some instances, still the situation. That is why those safeguards were placed there.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, before the orders of the day, I have a question for the hon. Minister of Health (Mr. Dymond) notice of which has been provided him. Would the hon. Minister of Health inform this House when it may expect the tabling of the report of the committee on physical fitness which was set in motion approximately 20 months ago?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, the answer to the question is that the report will be tabled at this session of the House following the Christmas recess.

Mr. Newman: Mr. Speaker, if I may ask a supplementary question to that: Was not this report completed and in the hands of the department well over eight months ago?

Hon. Mr. Dymond: That is correct, sir.

Mr. Troy: Mr. Speaker, may I ask the hon. Minister a question? As the hon. Minister knows, the federal government has announced a \$5 million grant for physical fitness and amateur athletics. Is there a co-ordination between his department and the federal department of health with regard to that particular fund?

Hon. Mr. Dymond: Although I have no notice of that question, and I may be a little vague in my answer, Mr. Speaker, to the best of my ability I would answer it in this way. There have been fairly lengthy discussions between the two departments, but since we have not got a specific branch or department or section in The Department of Health for Ontario concerned with this matter we could not enter into any definite agreement; nor could we have legislation which we believe to be necessary to enter into an agreement. It is nonetheless our very sincere hope that we will be availing ourselves of all possible assistance.

Mr. Troy: Does the hon. Minister have liaison and co-ordination with the physical fitness department of The Department of Education?

Hon. Mr. Dymond: Mr. Speaker, there is no need for liaison between us because we have in The Department of Health no division of physical fitness. It was the direction of the government that my department should supervise and set in motion this study group, but that did not give us the authority to set up a physical fitness division in the department.

SCHOOL GRANTS 1962-63

Hon. J. P. Robarts (Prime Minister and Minister of Education): Mr. Speaker, before the orders of the day, I have a short statement of policy that I would like to make. After hearing the debate that went on, and the discussion about statements of policy, I feel I could say almost anything, for as long as I liked. I will attempt to call them.

As Minister of Education, I have always sought to provide information about school grants as early in the session as possible, in order to assist school boards in planning their activities and budgeting for their expenditures. In keeping with that objective, I wish to make an announcement today regarding the amount and the application of the grants payable in 1962-63 under the federal-provincial technical and vocational school training agreement, the residential and farm school tax assistance grant programme, and the general legislative grant programme.

Regulations governing the distribution and payment of these grants will be issued as early as possible in order to permit the school boards and municipalities to do their budgeting early in the new year. As these regulations may be distributed before the assembly reconvenes, I would like to inform hon. members of the changes we anticipate.

The first section is the federal-provincial technical and vocational school training agreement.

Under this programme we are paying 100 per cent of the cost of approved technical and vocational school building programmes. This undertaking represents one of the biggest and most significant developments in education that has ever occurred in the province. The implications are naturally tremendous, not only for the future of the young people to be educated in these new schools, but for the general economic growth and prosperity of our province.

This programme has building projects either approved or pending approval that involve a total expenditure of approximately \$200 million by the end of the next fiscal year, March 31, 1963.

The full cost is, of course, to be borne by the federal and provincial governments in accordance with the 75 per cent-25 per cent formula announced earlier. The provincial government must initially bear full responsibility for the total amount under this formula, but the federal government will reimburse the provincial government for its share in due course. It should be borne in mind, however, that the provincial government must, in any event, provide 25 per cent of the amount, or at least \$50 million. Under the existing agreement, expenditures to be eligible for refund on this basis must be paid by the end of next fiscal year, ending in March, 1963. The fact that municipal taxpayers contribute nothing to these capital costs of course has tremendous implications.

Now the residential and farm school tax assistance grant. This completely new type of school grant was announced last year, and the Act and regulations made thereunder provided for a payment of \$5 per pupil of average daily attendance in every public, separate, and secondary school of the province. The purpose of the school tax assistance grant, which is basically a tax-sharing form of grant, is to provide direct relief to home-owners and farmers through their school taxes, which have constituted an ever-increasing burden despite the continued and very substantial general relief provided through the increases in school grants during the past 15 years.

The original announcement indicated tentative plans to provide for this purpose a grant of \$5 per pupil of average daily attendance in 1961-62, of \$12 per pupil in 1962-63, and in 1963-64 varying amounts of \$20 per pupil in elementary schools, \$20 per pupil in continuation schools, \$30 per pupil in academic secondary schools, and \$40 per pupil in vocational secondary schools.

For the next fiscal year, however, we propose to simplify the formula in the light of experience gained this year, and by increasing greatly the total amount voted last year, to change the distribution formula for 1962-63.

Since very substantial aid has been provided for the coming year to secondary school boards in the form of the technical school building programme mentioned earlier in this note, and since the expansion pressures have been particularly difficult for elementary

school boards to finance, resulting generally in substantial increases in local taxes for the support of public and of separate schools, we propose, for the coming year, to maintain the assistance to secondary schools at the present level, i.e. \$5 per pupil of average daily attendance, and, at the same time, to increase the tax assistance grant to elementary schools by 25 per cent more than originally promised, i.e. to \$15 per pupil of average daily attendance.

It will be noted that the very substantial increases in tax assistance for secondary schools will be provided in 1963-64, when maintenance costs for the new vocational schools will have to be met for the first time by the local school boards. The total cost of the school tax assistance programme for the fiscal year 1962-63 is estimated to be at a minimum \$16 million.

The new formula for elementary schools—because the present formula will remain unchanged for another year as far as secondary schools are concerned—is extremely simple: the school board in receipt of the school tax assistance grant, or the municipal council on its behalf, must reduce the tax rate on homeowners and farmers by a full 10 per cent below that applicable to commercial properties. Not only is the new formula equitable and easy to understand, but it will be easy for school boards or municipal councils to calculate and apply. It is also considerably less restrictive than the formula originally proposed earlier this year.

Now in regard to general legislative grants, in addition to the very generous assistance contemplated under the two preceding sections, it is proposed to continue our programme of improvements in the general legislative grant formulae and schedules. The natural increase in enrolment, which continues at a very high level, requires, even at the present rates of grant, that an additional \$10 million be provided for the coming fiscal year.

In addition to providing for this increase, we are proposing certain necessary changes in the formula in order to remove inequities which have become evident during the past year, to facilitate a smoother operation of the grant plan. These are technical matters which would require a lengthy discussion of their background and implications, and I think hon. members will be just as happy that I do not go into them in detail at this juncture. Suffice it to say that not only will these improvements cost this government more money in grants, but hon. members will be fully informed of such changes at the first

opportunity. The grant regulations themselves are in process of revision and will be issued at the earliest possible moment.

Rapid growth in school enrolment has been presenting us with one of the most formidable and challenging tasks in our history. Enrolment in elementary and secondary schools has increased from about 600,000 in 1945 to an all-time record in September, 1960, of about 1,400,000. This is an increase of more than 120 per cent in 15 years. Each year the rate of increase in school enrolment has been more than double the rate of our population increase.

Although some slowdown in the rate of our population growth was experienced last year, it will have no immediate effect on school enrolment. Indeed, it is estimated that over the next five years the net addition to our school population could very easily exceed 400,000 pupils. At that time our school population will total more than 1,800,000 students and this will be over three times the number in our schools in 1945.

The growth in enrolment since 1945 has involved the expenditure of nearly three-quarters of a billion dollars on school construction alone, to provide almost 900,000 new pupil places.

In 1960, for example, 601 new schools or additions to existing schools were completed at a cost of over \$100 million. This means almost two new schools for every working day. Increased enrolment has also required the training and recruitment in the post-war period of an additional 25,000 teachers—a number equivalent to the total teacher force just a dozen years ago. In addition to the facilities and teachers required, it has meant finding the money for expansion and evolving a grants structure to provide a just basis of distribution.

Legislative school grants have increased very greatly, rising from \$8.2 million to an estimated \$191 million in this current year, that is in 1961-62. The increase in the legislative school grants has totalled over \$93 million in the last four years alone, and it is expected, on the basis of present plans, that in the next two years the grants will increase at an even higher rate, and could very easily reach the staggering total of one-quarter of a billion dollars in 1963-64.

This immense sum is positively required if we are to meet requirements of fitting our young people for the challenges ahead. This money is also needed if we are not going to permit our farm, home and real-estate owners to be overwhelmed.

Mr. Whicher: I would like to ask the hon. Prime Minister (Mr. Robarts) a question about his statement.

I certainly hope I was mistaken but did I understand the hon. Prime Minister to say that the per-pupil grant for secondary schools for this year was going to remain the same as it was last year?

Hon. Mr. Robarts: Mr. Speaker, I was referring to one section of our total grants.

Mr. Whicher: For secondary schools?

Hon. Mr. Robarts: Yes. Last year we introduced a residential and farm school tax assistance grant of \$5 per pupil across the board, and we are going to leave that at that figure.

Mr. Whicher: Did the hon. Prime Minister not promise that it would increase, double, for this year?

Hon. Mr. Robarts: Mr. Speaker, I would be happy to debate this with the hon. member at any time but I will just say that at the time these grants were introduced we laid them ahead for three years. Since that time we have introduced this other tax, this other school building programme I mentioned—the federal-provincial technical vocational training agreement—which has served to put about \$200 million into our secondary school system at no cost to the local taxpayer. The incidence of cost increase will come when these schools are opened and, therefore, we are holding the secondary school line this year and increasing the elementary. The net result benefits the same taxpayers.

Next year we will increase the secondary in order to meet the increased maintenance costs that will evolve as these new schools are brought into play.

Mr. Whicher: Mr. Speaker, I will just say in passing that that is all very well where there are technical schools going to be built, but what about relief for the secondary schools where there are no technical schools?

Mr. Speaker: Order. No debate, please.

Mr. Whicher: This is just a question.

Mr. Speaker: Supplemenatry questions will be perfectly in order.

Mr. Whicher: My question is this. What about some relief for the secondary schools areas where there are no technical schools?

Hon. Mr. Robarts: Mr. Speaker, I can only point out that those schools will receive a very substantial increase, a greater increase, of course, than the elementary school system has next year. The point is that we are dealing with the spots in our educational system where the greatest pressure exists. The other point I make is that eventually, regardless of where we may divide the grant, the total amount going into the school system benefits all our taxpayers.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, may I ask the hon. Prime Minister (Mr. Robarts) this question? This is to take effect in 1962, do I understand?

Hon. Mr. Robarts: What is to take effect?

Mr. Belanger: This new programme.

Hon. Mr. Robarts: Well, Mr. Speaker, I am talking about the grants. This statement concerns only the grants which will be paid to the local school boards for the fiscal year commencing on April 1. We get these regulations out as early as we can in order that the school boards may do their budgeting before the local councils have to set the school rate.

The reason I make this statement today is that it may very well be that these regulations will be distributed to the school board before this House reconvenes. Therefore, I have taken this opportunity of telling the House what we propose to do, because when it is actually done the hon. members will not be here, or there is a possibility that they will not.

I am referring in this statement only to the grants that will be paid to the local school boards for the fiscal year commencing April 1.

Mr. Speaker: Orders of the day.

THE RETAIL SALES TAX ACT, 1960-61

Mr. J. J. Wintermeyer moves second reading of Bill No. 47, An Act to amend The Retail Sales Tax Act, 1960-61.

Mr. D. C. MacDonald (York South): Mr. Speaker, on a point of order before we proceed to this. I have no objection at all to debating this issue, indeed I think it should be debated, but may I have your ruling as to whether or not a bill introduced by a private member which would reduce the revenues of the province is in order?

Mr. Speaker: I presume there is some amount of "order" in this bill, and I am presuming that it would be more out of order if it were asking for funds to be raised rather than lowered.

Mr. MacDonald: Mr. Speaker, I am sorry I do not quite grasp that. If this bill were passed, it would reduce the revenues of the province by a significant amount, and therefore it is a financial bill. I am not arguing pro and con of the bill; I just want a ruling for future guidance. Is this an appropriate bill to be introduced by a private member, a member of the Opposition?

Mr. Speaker: On page 129, number 15, section 112 by the 54th section of the imperial Act, The British North America Act, 1867, it is provided that the House will not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue or of any tax or impost to any purpose that has not first been recommended by a message of the Lieutenant-Governor in the session in which such a vote, resolution, address or bill is proposed.

Mr. MacDonald: It is out of order then, Mr. Speaker, I submit. This has not been preceded by an address from the hon. Lieutenant-Governor—

Mr. T. D. Thomas (Oshawa): For any purpose?

Mr. Speaker: It does not appropriate any part of the public revenue or any tax or impost for that purpose; that is my ruling.

Mr. MacDonald: Is it in order then, Mr. Speaker?

Hon. J. P. Robarts (Prime Minister): May I just explain the procedure before the hon. leader of the Opposition (Mr. Wintermeyer) commences? I will attempt in the course of the session to call some of these bills at intervals and they can be debated for a given period of time. I have spoken to the hon. leader of the Opposition about this procedure. As the business of the House progresses, I will attempt to call those other bills on the order paper.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, this bill in its presentation is a physically simple bill and it may be that for the edification of the House I should read the only pertinent section.

Mr. Speaker: I would draw to your attention that in spite of the fact the bill is very short, there is one correction that I must make

immediately, a mechanical error that I think all will agree is inherent in the presentation here.

Mr. J. F. Edwards (Perth): Another flaw?

Mr. Wintermeyer: No, it is not a flaw at all. The fact is that one of the law officers came to me today—and with due respect I was not going to draw this to the attention of the House, but I think that it was a printing error; it is certainly not as it was presented. The reference is to the fact that here in the bill, and particularly the amendment to section 5, paragraph 42, reads as follows—and I will correct it after I have read it, Mr. Speaker.

Tangible personal property purchased at a price of \$25 or less, except prepared meals consumed on premises where sold at a price of \$1.50 or less—

That, of course, should be \$1.50 or more:

—liquor, bottled beer and tobacco and tobacco products.

That is the bill, Mr. Speaker. It is intended especially to substitute for the words "17 cents," that appear in the original Act, the words "\$25"; and then to add to that the exception "prepared meals consumed on the premises where sold at a price of \$1.50 or more, liquor, bottled beer and tobacco and tobacco products."

Mr. Speaker, for your further assistance I have arranged to prepare an estimate of the revenue to be derived from a plan such as suggested by this amendment to the Act which would excuse or exempt all purchases under \$25. You will note that in the preparation I have submitted for your consideration, Mr. Speaker, and for the consideration of all hon. members here, I have outlined the classification of retail sales in Ontario. I have done this in accordance with Mr. Gathercole's presentation to this very House, the presentation of The Ontario Department of Economics for 1961, and the preparation of the Dominion Bureau of Statistics which are referred to in the presentation of The Department of Economics. The classification therefore that hon. members will see before them of retail sales in Ontario, classified as it is on the left hand side of the page, follows the breakdown of the Dominion Bureau of Statistics.

I am not an economist and you may excuse me, Mr. Speaker, for spending just a little bit of time here. Hon. members would wonder why I have listed the 20-odd departments or divisions at the left hand side. I have done that because the Dominion Bureau of Statistics breaks down the total retail sales in

exactly the same fashion. You will note, Mr. Speaker, that the total Ontario retail sales including, in addition to retail sales, construction, machinery and equipment, telephone and local calls represent a total expenditure of \$10.4 billion in Ontario.

In other words, if our retail sales tax in Ontario, levied at the rate of 3 per cent, was levied on all retail sales and in addition on all construction work, machinery and equipment, and local telephone calls, all of which are technically subject to the retail sales tax, the total on which the levy would be made would be \$10.4 billion for a total revenue of something just over \$300 million.

We know that the anticipated revenue is nowhere near that. It is in the neighbourhood of \$150 million. Therefore, in the second column, and next to the 1960 sales, according to the estimates of the Dominion Bureau of Statistics, I have listed the total sales that are subject to tax in Ontario. Note that those total sales are \$5.04 billion. Of course, 3 per cent on that sum is just over \$150 million; my estimate is \$151 million.

This is the government's plan, Mr. Speaker. The government expects to collect \$150 million by the imposition of a 3 per cent sales tax. It exempts about one half of the total sales that are made in Ontario, and it does this by virtue of the regulations set out in the current legislation. I would point out, Mr. Speaker, that it is very important to know at the outset that in Ontario we are not levying a tax on all retail sales but on about 50 per cent of the total retail sales that would normally be subject to tax.

Under the Liberal plan which exempts, as I outlined, all purchases less than \$25, but including construction and, likewise, liquor, telephone and meals and tobacco, our levy would be on a total of \$3.8 billion, for a total revenue of \$115 million.

This afternoon, Mr. Speaker, understandably, I do not think that it would be advisable for me, in view of the fact that this debate will continue, to spend a lot of time detailing the figures on this sheet or defending them. I will simply tell hon. members that the debate could go on endlessly if we were to become engaged in determining what portion of the total department store sales, for example, amount to less than \$25, and what portion are over \$25; what portion of the total jewellery store sales are less than \$25, and what is more.

I am simply prepared to say, Mr. Speaker, that it has been my opportunity to have this statement prepared by pre-eminent experts in the field who are doing this type of work day

in and day out, and I am confident that the figures that I have presented are conservative. We have deliberately attempted to underestimate the Liberal plan revenue and we have deliberately tried to overestimate, if you will, the probable revenue under the government plan.

Suffice to say at this particular juncture, Mr. Speaker, that on the second sheet of the estimates that I have presented for consideration I had detailed three distinct items which will be identical under both plans. In other words, the new Liberal plan is exactly as the Conservative or government plan, and the revenue to be derived from those three basic areas amounts to \$94 million. In other words, if the government is right that it expects to collect \$150 million, then \$94 million of that \$150 million will come from the three areas that I have identified, and we are making no change whatsoever in that respect. I am assured that the \$94 million that I have outlined on the second page is just as justified a position as the \$94 million that appears in the governmental \$150 million. The area of dispute would be in the \$21 million. That is over and above the \$94 million and up to the \$115 million that I have estimated. Hon. members will notice that the \$21 million or \$21.5 million is identified in the last column on the sheet, on page 1 of the two sheets that I have supplied to you, Mr. Speaker, and to the hon. members of the House.

Mr. Speaker, in summary, let me say that the presentation you have before you is according to the Dominion Bureau of Statistics breakdown of all retail sales. They have set the schedules. We have the latest figures, the 1960 figures, for the total retail sales in Ontario in respect to those several divisions.

Hon. members will note, for example, that on grocery and combination stores under the government plan, they expect to collect \$6 million. We will, under the Liberal plan, collect nothing, because we estimate that no grocery or combination store purchase will be subject to our tax.

Under the governmental plan, you will note that under variety, drug and hardware stores the government's plan can be expected to produce \$10.5 million and under our plan the expected revenue would be \$.6 million or \$600,000. The explanation there is that we would expect to collect nothing in drugs and variety stores, but understandably in hardware retail sales we would collect a tax on those items sold in hardware stores in excess of \$25.

Mr. Speaker, it would be a laborious task to go over all these figures in detail. I

simply say to you that I am prepared to say that, to the best of my knowledge, the revenue of \$115 million that we expect was conservatively estimated. In all probability it would be something in excess of that figure. We have had our plan tested by other competent persons and we have been told that the anticipated revenue of \$115 million is, as I said, a conservative figure.

Mr. Speaker, let me tell you for a moment what we have tried to do. But before I do that, I want to point out that this is, of course, a political arena and that I am going to be charged, I am sure, before the end of the day, with the sort of observation that has been made before in this House—that I am as responsible as any person for subjecting sales tax to this House over a long period of time. And that I voted against the tax a year ago. I will have something to say about that matter in just a few minutes.

What I am trying to establish at the outset is that the presentation here is indicative, I think, of what an enlightened approach to sales tax can produce. It can produce the type of revenue I am talking about simply because the government has arbitrarily exempted some items and taxed other retail sales without, I suggest, due consideration of what should be subject to tax and what should be exempt.

To detail for hon. members the myriad of inconsistencies is unnecessary. They have been drawn to your attention many times, Mr. Speaker. But I would point out that there are many classic illustrations.

For example, it is my understanding that school supplies are subject to the tax but on the other hand smutty comic books are not subject to the tax. There is a tax on soap, Mr. Speaker. One would think that cleanliness would be next to godliness, but apparently that is not so.

There are other instances, Mr. Speaker, where one finds it difficult in logic to know why there is imposition of the tax upon certain items and no levy on other items. The reason will become evident in an analysis of the programme that I have outlined for hon. members, where they will note that one half of the total eligible items subject to tax are in fact exempt. I feel that the government, instead of taking a forward-looking approach and making it easy to make a determination of what is taxable and what is not, has instead taken a backward step in respect to sales tax; that is, imposed a tax on certain things and not on others. How much easier it would have been to exempt all purchases up to a given amount.

Remember, that in this way the government would eliminate the small grocer, they would eliminate the small retailer, from, first, the collection of tax, the computation of the tax, the rebate of the tax and the physical work that he is required to perform.

Mr. Speaker, this is an important factor because I suggest that on small items the cost of collection is illogically high. The inconvenience is extraordinary. The irritation is extraordinary.

Mr. Speaker, if it is our desire to impose taxes, and take into consideration the well-being of the people, then I think it is imperative that we demonstrate that we have the ability to think through a task in such a way as to avoid a maximum of irritation to the taxpayer.

The government plan, I suggest, has done just the opposite. And I think I know why.

We are in this position because it was not but a few years ago that the government leaders opposite took the position that they required additional revenue but that that additional revenue should come from the federal government. In fact elections were fought in 1957 and in 1958 on that very point.

Then a year ago, when it became obvious that that revenue would not come from Ottawa, we became suddenly engrossed in this retail sales tax. I think that the tax at that time was determined upon hurriedly. It was ill-conceived and ill-planned. Mr. Speaker, I think it was because of that hurry that the irritant features of the current plan are in existence. I say unhesitatingly, Mr. Speaker, that I think that it was ill-timed and ill-conceived.

It was not done by giving consideration to the persons who would be required to collect the tax, that is the small retailer, the little fellow who is required to bear the burden of cost. The well-being of the taxpayer himself was not considered, because nothing is more irritable than to pay out a penny for a multitude of small purchases. This type of irritant is not only an irritant, it is not a big revenue-producer.

When a car is sold, just as much revenue is produced as when a multitude of small items are sold. Likewise in construction, likewise in big items under electrical appliances and furniture—these are the revenue producers. Herein we get our bulk of the revenue as I pointed out—\$94 million of the total of \$150 million.

It becomes obvious therefore that, in the smaller items, not only do we not collect

the bulk of the revenue but we cause a maximum of inconvenience to the collector.

For example, I think it is quite obvious to all of us in this House that the total numbers of persons working in the Treasury department, in the collection of taxes, was required to be doubled for this very tax. We had something like 700 people working to collect all our taxes up to that time, I believe, and now we have added a substantially greater number.

Mr. Speaker, I simply say this: we have all experienced as we have moved around Ontario, the multitude of people who are required to visit each little grocer, go over his problems in detail, and try to examine the amounts that are taxable and otherwise. I think that all this type of irritant could be eliminated and not only would we collect \$115 million, but we would reduce the cost of collection substantially. What that cost is, I am not prepared to estimate this afternoon, but it may be \$5 million or \$6 million and, Mr. Speaker, that is a substantial amount of money.

Mr. Speaker, reverting for a moment to my own position of a few years ago, I want to meet this deliberately and head on. It is true that I talked about a sales tax a number of years ago but I talked about it, Mr. Speaker, not as a source of additional revenue for the general fund of the province of Ontario. I talked about it as a long-term reform procedure to correct the inequity that exists in our municipal - provincial - fiscal relationship. I took the position, and I still feel strongly about it, as I did then, that a hundred years ago it was good to say, and it was equitable and just to say, that education and welfare and justice should be financed by a levy on real estate and land. Why? Because a hundred years ago that was a good measurement of a man's ability to pay.

But it is not so today. Therefore, Mr. Speaker, I said that the Liberal Party would be prepared to correct this type of inequity and to effect some fiscal reforms and to change the responsibility vis-à-vis the provincial and municipal governments and assume the basic cost of education; and in order to do that would establish an enlightened sales tax to relieve the municipal property owner. But I never intended, Mr. Speaker, that this type of revenue or tax would be added to the general funds of the province of Ontario, as is the case now.

Mr. Speaker, we have not one iota of new service. We are using this revenue to pay old debts. There is not another province in this Dominion that has imposed this type of

legislation without undertaking a new service, but here it has not been the case. Here we are using additional revenue to pay for services that were undertaken some considerable time ago and that are basically required now to meet part of our deficit.

Mr. Speaker, I have felt, therefore, every justification for saying to you a year ago, I do not believe in a new sales tax for the purpose of paying old debts; I do not believe in the imposition of a tax that provides no new service and that does nothing really to come to grips with fundamental difficulties in the municipal-provincial fiscal field. And I feel that way today.

Mr. Speaker, in relation to the point that my plan, or the Liberal plan, at least, will produce only \$115 million as compared with \$150 million, I simply say this: nobody, in my opinion, is able to get up honestly in this House and say 150 is a magic figure. We never heard the figure 150, as I recall, until last year. Up to that time it was always \$100 million. We want \$100 million from the federal government.

As our deficit went up, of course, the government talked about more money and the need for more, and it was said that our deficit was more than \$100 million—I think \$180 million somebody said—and, of course, it becomes apparent that therefore they would hope for more. But I am as confident, as I stand here, Mr. Speaker, that \$115 million will do in an enlightened way the same job that \$150 million will do under the government's plan.

I feel, Mr. Speaker, that we have never in this province, in the time that I have been here, really come to grips with the fiscal programme. I have constantly said that it would be wise to divorce our highway programme from the general budget, and I feel so today. I am confident we lose millions and millions of dollars by paying out to municipal governments money that they expend at their level. I think that if we did as has been done in other jurisdictions—set up a highway scheme of financing that would identify and pay into a common fund all the revenue from highways and then liquidate the highway construction and maintenance work over the given 20 years that the highway department has talked about. We could do it with the revenue from highways only and, Mr. Speaker, that would reduce the Treasury in Ontario at the present time—if the last five years are any indication—would excuse it from the payment out of general funds of approximately \$35 million to \$45 million.

Mr. Speaker, that type of thinking and

determination and identification of cost and revenue and service would give us the type of direction and assistance and intelligent leadership that I think the people of Ontario are entitled to at the present time.

The point that I am making is simply this. I am not going to foolishly stand here and say 115 is the same as 150, but what I am going to say is that I believe we are losing money in many respects in conjunction with the way we are financing highways.

I do not believe that it is a good thing, for example, to build development roads and call no tenders whatsoever. I just wonder if we are paying out that money as efficiently and as effectively as humanly and economically possible. I am just old-fashioned enough to think that the total highways construction cost at all three levels of government could be substantially streamlined and made more efficient. I, for one, am not disposed to put more highways money into the common fund of this Conservative government's general treasury before we have had an effective opportunity to look at the economy that can be practised and the identification of certain sources of revenue, such as highway sources of revenue, with specific expenditures, that is highway expenditures.

I think we could do a lot in this respect. I am not disposed to feel that we could just go on and on and add more revenue as the deficit occurs. The simple fact is that if hon. members look at the budget over the last 18 years they will find that all the departments, all 22 of them, have gone up in the same proportion. Now, surely one would expect that in a given year the government would say: "We are interested now in education. This department needs more than the other departments." Or in another given year: "The Department of the Attorney-General is going to undertake a specific thing and therefore that department needs more."

But there is no demonstration of planning. Hon. members will find that if they drew a chart, and we have done this, they will find that all the departments over a period of time have gone up at a steady and even pace. I say that this is demonstration that the type of planning and direction that is required in conjunction with the fiscal responsibility of this province has not been exercised. I am prepared to say that I am confident that if we did the type of planning that is required, then the 115 that we have here would buy and provide the same type of service that we are getting now out of the revenue that is being expended.

Sure, the hon. gentlemen to the left will laugh, but if they know the significance of real economic planning, Mr. Speaker, it is not so silly at all. I tell you that some of the greatest economists in the province of Ontario actually have worked on this plan.

Hon. R. W. Macaulay (Minister of Energy Resources): Like Mr. Gordon? He was a great one, he was a great one!

Mr. Wintermeyer: Would the hon. Minister consider him to be—

Hon. Mr. Macaulay: I was just asking. The hon. leader of the Opposition should not be so touchy.

Mr. Wintermeyer: And many others.

Mr. E. W. Sopha (Sudbury): He has a good name. He worked for hon. members opposite.

Mr. Wintermeyer: I do not want this whole thing reduced to gestures, Mr. Speaker, as the hon. members to the left would desire. The simple fact is that this has been costed, this has been examined, and this is feasible.

I am prepared to make this a practical political argument, that 115 and 150 are two different figures; but I am not prepared to say that 150 is a magic figure. I am prepared to say that the government of the province of Ontario has got to buckle down and effect some economy in its various departments before I am prepared to support any imposition in excess of \$115 million; and I am prepared to say that the programme that I have outlined here has about it, I am positive, the type of consideration that should be given for the practical implementation of a tax of this sort.

I am confident that the collector, the small retailer in particular, and the taxpayer, should be considered in the extreme. Good legislation, Mr. Speaker, requires that a taxpayer feel a genuine consciousness that the tax was well conceived and well planned, and I, from my experiences, feel that the taxpayers of the province of Ontario at the present time feel just the opposite. Many of them feel that the tax should not be imposed at all. But those who say there may be need for more revenue are certainly saying this: if there was need for more revenue certainly a plan could have been devised that would have produced less irritation and would have been demonstrative of more consideration for the taxpayer and the small collector than the government plans demonstrate.

Therefore, Mr. Speaker, at this juncture in the debate it ~~provides~~ me pleasure to

suggest and encourage all hon. members to consider seriously this plan. It is practical for the simple reason that I think it has been studied, it has been examined, it has been prepared, not only by myself but by persons schooled in this type of work.

I think the estimate of revenue is just as accurate as the estimate that the government makes of the \$150 million or \$151 million that they expect to get. I personally feel that the irritations and inconveniences are basically eliminated and that a government today is under an obligation to say to the people of Ontario: "We are going to assure that economy is practised." Secondly, it should say that it is going to begin to identify sources of revenue and sources of expenditure such as highways, and is going to set out a programme and a plan in conjunction with education, for example. This plan would earmark for that great social service—a social service that I think is paramount to all, a service that will in the end mean the difference between our way of life and any foreign way, because it will assure the physical, mental and intellectual development of our young people—a source of revenue that will equitably raise money for that purpose.

Mr. Speaker, two years ago I certainly hoped that if ever this type of legislation and this type of imposition came into being it would have been identified specifically and unequivocally for the type of service such as education or welfare or justice or other new service that is currently not being absorbed by the provincial government.

Therefore, Mr. Speaker, with deference but with seriousness, I suggest to you and to all hon. members of the House that even at this late date, the government give serious thought to the significance, philosophy and thoughts back of this suggested bill, and that it realize now, even now, that there are real improvements to be made in the legislation that was introduced a year ago. I suggest that it think in terms of the people and the collectors throughout all of Ontario who are very greatly concerned about the inconvenience and irritants of the present plan.

We of the Liberal Party, Mr. Speaker, would of course have much to gain by crossing this province and saying: "We are not in favour of the tax at all—"

Mr. MacDonald: That is what the hon. leader of the Opposition said last year.

Mr. Wintermeyer: Now, Mr. Speaker, I voted against it last year for the reasons I have outlined.

Mr. MacDonald: Why did the hon. leader of the Opposition not outline them last year?

Mr. Wintermeyer: Mr. Speaker, I am not going to pay much attention to a group which only a day ago suggested \$150 million would be produced by taxing the natural resources of this province and reducing employment in northern Ontario accordingly.

Mr. Speaker, it is time somebody stood up in this Legislature and said: "They just cannot get revenue out of the blue." You cannot tax these corporations in northern Ontario and bleed them to death at a time when they are producing more employment, more people are employed in natural resources in Canada than in any other industry, and they are having more trouble at the current time than they have ever had in history.

I for one, political or not, am prepared to say that I am going to be realistic enough to acknowledge that revenue is required and it must be identified in a specific way. It is for that reason that I have submitted this programme which I suggest is intelligible, is economical and has been effectively costed. I present it for your serious consideration this afternoon, Mr. Speaker.

Hon. Mr. Robarts: Mr. Speaker, there are several matters I would like to touch upon in dealing with this bill. First of all, I would like to deal with the matter of the ill-conception and the haste as alleged by the hon. leader of the Opposition (Mr. Wintermeyer). I notice in looking over his estimate of Ontario's sales tax revenue that he includes therein an item of telephone calls, but I do not find any reference to telephone calls in the bill itself.

Mr. Wintermeyer: We just do not take them out, they are exactly the same as the legislation of the hon. Prime Minister, I am only changing one section, just the same as is being done today.

Hon. Mr. Robarts: Does the hon. leader of the Opposition mean to say that—

Interjections by hon. members.

Hon. Mr. Robarts: I am sorry, I did not go to the second page. In any event, I would like to say I have had an opportunity of having these figures analyzed and I am informed that they are so basically incorrect, in computing the amount of revenue that would be produced if this bill were to be adopted, that I do not intend to go into the detailed analysis of the figures to prove this lack of correctness.

The hon. leader of the Opposition, Mr. Speaker, does not object to a sales tax as such; he only objects to the sales tax in the form in which we have brought it in, although he does try to argue both ways.

It occurs to me that it might be possible to place this matter before the public accounts committee and allow it to be thoroughly examined there, and we will see what results we can obtain. I would be quite happy to discuss this with the hon. leader of the Opposition during the intermission, because that committee will not sit in any event until we resume. But I think that is a possibility.

Or we might devise some other means of checking to find out which figures are correct. In any event, we will deal with that technical aspect of the problem. In the meantime, my figures are that if the proposal of the hon. leader of the Opposition became effective, tax returns would be reduced on the full year's operation from \$150 million to about \$52 million.

Now these are the figures that were given to me. I made the offer to justify them and I will stand by that offer. Of course there is no point in us debating these amounts.

Now the hon. leader of the Opposition said this himself, so let us get on to some of the principles involved and we will settle the question of the amounts in due course.

I am informed by men I consider to be completely competent that if we were— Does the hon. leader of the Opposition have a question?

Mr. Wintermeyer: Yes, I have. Mr. Speaker, you see, the hon. Prime Minister (Mr. Robarts) has suggested—my question is this: is the hon. Prime Minister prepared to use common sense in the analysis of page 2 of my presentation, wherein, I believe, there is no change whatsoever as between his plan and my plan?

Hon. Mr. Robarts: Mr. Speaker, I have made one mistake already in looking at these sheets and I never saw them until they came to my desk this afternoon. I will go back to my original position. The hon. leader of the Opposition is advised by his experts, I am advised by mine—

Mr. Wintermeyer: We should bring them together!

Hon. Mr. Robarts: Of course we should attempt to reconcile the matter, but for the purposes of the debate this afternoon and the

position that I am going to take in this matter, I take my figures as being correct, as the hon. leader of the Opposition has taken his. So as far as I am concerned, it would just mean that the province would be required to raise a further \$98 million either by an increase in the sales tax on the balance of the items that would be taxable under his proposal, or by going to some other means of taxation. I make this assertion because I want the House to understand clearly the implications of what the hon. leader of the Opposition is suggesting in this bill. I am not, as I say, going to analyze the figures, but I would be quite happy to have some arrangement to have them analyzed in due course.

Mr. R. M. Whicher (Bruce): If the hon. Prime Minister finds that we are correct, will he change it?

Hon. Mr. Robarts: I would never answer such a question, because I am quite sure I will not find that my figures are incorrect.

Mr. Whicher: But if the hon. Prime Minister did find this was the case?

Hon. Mr. Robarts: Therefore, to obtain the \$150 million, which is necessary and to which I shall refer later, it would be necessary to increase the sales tax rate. As I estimate it, on the remaining taxable items if we were to accept these exemptions, we would have to increase the sales tax on these items to nine per cent, thereby imposing—

An hon. member: The hon. Prime Minister is right.

Hon. Mr. Robarts: Now, just a moment! Thereby imposing a very discriminatory tax on any article the purchase price of which is over \$25. The problem of the collection of such tax, of course, is infinitely multiplied by increasing the exemptions as the hon. leader of the Opposition suggests. I can state the problem very simply in this way.

If an article can be purchased in two or more parts or quantities under \$25, the purchaser would completely avoid the tax by purchasing the article piecemeal.

Mr. Whicher: How does the hon. Prime Minister deal with chocolate bars and cigarettes today? And pop?

Hon. Mr. Robarts: This same condition applies with the present 17 cent exemption.

An hon. member: Does it apply to cars?

Another hon. member: Can the hon. member not take it?

Mr. Speaker: Order!

Hon. Mr. Robarts: A person may purchase in two separate purchases two chocolate bars at 10 cents each and avoid the payment of any tax, but if the hon. leader of the Opposition's proposal became effective, this problem would be magnified into gigantic proportions with very intense headaches to the retailer. To avoid the tax people would seek to buy in components or quantities under \$25.

Mr. Wintermeyer: Mr. Speaker, would the hon. Prime Minister permit a question?

Hon. Mr. Robarts: Now let me go on! I listened to the hon. leader of the Opposition; he may now listen to me, even if his friends will not.

Mr. Speaker: Order, order!

Hon. Mr. Robarts: I point out to hon. members that this would entail a great deal of unnecessary work and it would entail a great deal of business expense. The present system of ordering would be disorganized and it would render it more expensive to business, particularly to retailers, but also manufacturers and wholesalers.

I point out to the House that in 40 American states and eight other Canadian provinces there is no such exemption. Although the exemptions in Ontario are the broadest of any jurisdiction in North America that has a sales tax, they do not create the problems to any conceivable degree that would be created by this proposition of the hon. leader of the Opposition.

Let us take some examples. Under the proposal of the hon. leader of the Opposition, one could purchase a \$100 kitchen suite by components parts; that is, buy the chairs separately and buy the table, and so on; or a \$200 television set—buy the cabinet, speaker, chassis—never underestimate the ingenuity of the human mind when it comes to avoiding the payment of taxes.

Now each of these items—

Interjections by hon. members.

Mr. Speaker: Order, order! I would point out to the hon. members when the Speaker rises to his feet there is no speaking at that point. Certain assumptions have been made on one side of the House and the House remained very dignified and very quiet. Now

I will just ask for the same procedure to be followed at this point when certain other assumptions are being made and I am sure we can all get along very well.

Mr. MacDonald: Ably stated.

Hon. Mr. Robarts: Mr. Speaker, I will just review this television-set proposition again for you. You could separate the cabinet, speaker, chassis, and you could break it down to a great number of component parts, each of which would come to less than \$25. By so doing you would avoid the payment of tax altogether. The hon. member for Nipissing (Mr. Troy) made some remark about me imputing dishonesty, perhaps, to someone. I would point out to him that one of the basic rules of tax laws is that any taxpayer is entitled to pay as little tax as he possibly can devise under any taxing statute.

Interjections by hon. members.

Mr. Speaker: Order, order!

Hon. Mr. Robarts: I am only pointing out to the hon. member for Sudbury (Mr. Sopha) there is nothing dishonest in attempting to avoid paying the tax as long as you do not get outside the framework of the taxing statute.

Mr. Sopha: There are judicial pronouncements to the contrary.

An hon. member: How would the hon. Prime Minister handle a stove?

Mr. Sopha: Judges have said recently that the taxpayer who does that is dishonest.

Hon. Mr. Macaulay: There are judicial pronouncements the other way too, in the Privy Council.

Mr. L. Troy (Nipissing): On a point of privilege, Mr. Speaker. I was so surprised by the hon. Prime Minister when he mentioned the member for Nipissing, sir. I did not quite get what he said. Was it something to do with dishonesty, of me imputing dishonesty?

Hon. Mr. Robarts: Mr. Speaker, I thought the hon. member said, when I was explaining how someone could use this \$25 deductible method for computing tax to reduce the purchase to the point where there would be no tax at all, I thought he said that I was accusing some—

Mr. Troy: Well, I could not—

Hon. Mr. Robarts: Well, if I have—it does not matter. Just think of the cost, what the cost would be to the retailer who attempted to do business in this particular fashion.

Moreover, the net effect would be to increase the sales tax to nine per cent on the articles that could be taxed. This would not only multiply these problems, but would impose a real hardship on persons buying goods that could not be broken down into lots of less than \$25. For example, the tax on a motor car instead of being three per cent would become nine per cent.

Mr. A. J. Reaume (Essex North): That is what the hon. Prime Minister says.

Hon. Mr. Robarts: Yes, that is what I say. If we are to raise this amount of money and if we are to do it on the basis that the hon. members opposite suggest and to arrive at the same amount of revenue, we would have to increase the tax from three per cent to nine per cent on the items that they would exempt with their exemptions.

Now let us look at the revenue requirements of the province; and this is the spot where we are always told that we should reduce expenditures, but I cannot remember any concrete example ever having been given of where we should in fact reduce—we should reduce expenditures, but I never hear anything about cutting school grants, or cutting grants here or there, or limiting the services presently given by this government. I hear mainly that we should be doing more and more, and tax less and less.

Mr. Reaume: With more efficiency!

Hon. Mr. Robarts: However, let us look at the revenue requirements.

My predecessor in office on many occasions stated that the province needed at least \$150 million more per year. I have had an opportunity of examining this statement and I can say to the House today that this requirement is completely inescapable. The province must raise annually a minimum of \$150 million more revenue. This requirement for the additional money comes from the constantly increasing demands for services such as health and education, which are two, of course, of the very large services we provide.

As a matter of fact, we could say that education alone makes it necessary to raise this amount of money. The demands which our growth and development impose upon us for schools, universities and health have become almost insatiable. Three hundred and sixty-five days from now, as I pointed out

earlier, we will have 70,000 more children in our school system than we do today because that is the annual net growth in our elementary and secondary school systems. There is nothing that can alter this except to refuse to provide for our young people the requirements that these days demand.

This afternoon I read to the House provisions which will apply commencing January 1, 1962, in connection with school grants in the province. These provisions are going to be of great assistance to our taxpayers, and particularly to our home owners and our farmers. They are designed for the coming year to help our public and separate elementary schools and also our secondary schools. Next year the real weight of assistance will be on secondary education. The whole problem of universities is an enormous one and has been discussed in this House before. It is going to require many millions of dollars and it is indeed very difficult to really estimate what our university bill will be in the years to come.

I would point out to the hon. members that our education bill alone this year will total nearly \$270 million. Next year it will exceed \$300 million, and even at that we are in some cases not going as far as we should. The \$150 million simply cannot be reduced if we are going to meet the bare requirements of what we have to do in this province, living as we do in this atomic age.

The cry is to economize but, I add, does the Opposition want school grants decreased, which would bring with it of course an automatic increase in real estate taxation at the local level? Have we to cut allowances for old age pensioners and senior citizens? And what about mothers' allowances for our widowed mothers? Are we to reduce these?

When one talks of economizing, these are the only alternatives which this House or the people of the province have to consider. Our problem is, and has to be, how are we going to raise the revenue we need in a fair and equitable manner? And, of course, once having raised it how are we going to distribute it?

This House can increase the exemptions in the manner proposed by the hon. leader of the Opposition (Mr. Wintermeyer) in this bill and, as I have said, we would need then a nine per cent sales tax on the remaining items that would be taxed. This, I claim, is a bare minimum.

I can say to the House that the present three per cent sales tax will produce an estimated \$150 million, after allowing for all the exemptions which are presently allowed

and are presently in the Act itself and which are the widest exemptions of any jurisdiction in North America that imposes a sales tax—certainly a good deal wider than any of the eight other Canadian provinces which are involved in the imposition of a sales tax.

Mr. Thomas: How about the cost of administration?

Hon. Mr. Robarts: Well, the problem at the moment in the cost of administration is that the tax has only been in effect since September 1; but we can project and we think that it will work out at something less than two per cent. But let me make it very clear—so that the hon. members will not come back and say that we could do this for less than two per cent—that this is based on the figures we presently have, and we have very incomplete reports. I have heard reports in various parts of the province that the cost of collection was high—in one place I was in recently I was asked if the cost of collection was 40 per cent, which is so ridiculous. But the figure of 15 per cent is bandied around. We estimate at the present time it will cost somewhere in their neighbourhood of two per cent, which hon. members must admit is not very high.

What are the alternatives that face us in the matter of raising this revenue in any other way than the method we are doing?

If we were to impose a two per cent sales tax without any exemptions at all, and that is just simply tax everything, it would produce the amount of money that we require. It would reduce the difficulties of collection which arise the moment we introduce exemptions. The larger the exemptions, the more the collection difficulties increase. The larger the exemptions, the greater the economic distortions in buying habits and business procedures.

Sizeable exemptions mean that more efforts are made to buy piecemeal in order to avoid the payment of tax, and this practice is magnified because of the higher rate of tax that has to be imposed upon those items that are in turn taxed. If the tax could be kept at three per cent there would not be the same incentive to evasion as there would be if the tax were raised to nine per cent, as required if we were to carry out the recommendations of this bill.

The argument, of course, against a two per cent sales tax levied against all goods, is that such a tax would then apply on food and other necessities and would press particularly heavily on the small income group. It would

adversely affect mass-produced articles and supplies which are presently exempt and are the foundation for agriculture and food processing, the construction trades and natural resource industries.

If the difference between the \$150 million needed, and the \$52 million which would be realized under the proposal of the hon. leader of the Opposition, namely, \$98 million, is not to be raised—

An hon. member: Does the hon. Prime Minister believe that?

Hon. Mr. Robarts: I certainly do, and I am prepared, as I have said already, to have an examination made of the figures just to find out really what we are talking about. This is a very, very serious matter, particularly when one considers the necessity for revenue that we have, and where we are presently putting the revenue that is coming from this tax.

In any event, if the \$98 million is not to be raised by an increase in the sales tax to nine per cent on taxable items, or is not to be raised by a two per cent tax on all goods and just eliminate all exemptions and remove all of these difficulties about which the hon. member speaks, then how would we raise it? Well, if he read the statement that the hon. Provincial Treasurer (Mr. Allan) gave in this House last March, and I will summarize them a little bit, he will get the answer to that.

To raise \$98 million by way of personal income tax would involve increasing the rates of personal income tax across the board by at least ten percentage points of federal tax. This would be, I think hon. members would all admit, quite a staggering increase. And I will ask all hon. members if it would be conducive to development in this province to raise our personal income tax by 10 or 11 percentage points at this time.

If the revenue were to be raised by increased corporation tax, I would ask all hon. members to remember that the combined federal-provincial corporation tax in Ontario is now 52 per cent, and this is two per cent above that in several other provinces of Canada. To raise the deficiency of \$98 million, which would result from what the hon. leader of the Opposition (Mr. Wintermeyer) has proposed, would mean increasing corporation taxes by an additional seven per cent, bringing the rate to 59 per cent in Ontario.

As anybody knows, and this has been mentioned by several hon. members of the

Opposition at one time or another since the House opened, this would curb expansion in our province. It would be a complete impediment to development, and would be a barrier to employment for which we must strive in this province if we are going to succeed in the objectives we have set ourselves. In other words, such a proposal is completely absurd and is not to be considered.

Some people have talked about increasing the charges and the taxes for liquor. Last year we realized about \$80 million from the sale of alcoholic beverages, and I ask once again what the imposition of an additional \$98 million would mean to liquor prices. It would be completely out of the question to obtain more than a fraction of what the province needs in revenue from liquor sales, for the reason that such sales are very sensitive to price change and the consumption habits of people can be very easily altered. A few cents a bottle extra can bring into play the law of diminishing returns; and if we ever attempted to increase our revenue in that field by any sizeable amount of the \$98 million it would be once again completely ridiculous.

Another suggestion that we hear is that we increase our tax on natural resources. I am sure that this would not appeal to the Opposition, who have asserted time and time again that the taxes on natural resources in the province are already too high. Today we are deriving \$36 million from natural resources by way of special taxes. It is only sufficient for me to ask what would happen if we were to levy taxes of an additional \$98 million or any considerable portion thereof in this area, and this will demonstrate of course how absurd this suggestion is.

There is another alternative which the Opposition, when in power, used to resort to, namely, that of letting real estate and the municipalities shoulder the burdens. We can reduce school grants and we can forego the increases I have outlined earlier this afternoon. It would be simple to cast another \$98 million on the home and farm owner but, I ask, is there any hon. member of this assembly who would consider this expedient with any degree of seriousness at all?

Mr. Whicher: This is the biggest, dreamiest speech I have ever heard.

Hon. Mr. Robarts: The hon. member has not listened to much of it then.

I think I have very briefly outlined the problems to be met and the methods available to us to meet them. It is all very well to

make irresponsible assertions but I would point out that money does not come out of a pump.

We are faced with certain essential requirements on education from the primary to the university level. In the matter of health, we have certain demands made upon us and the sum of \$150 million which I mention has to be obtained from some source if we are going to do our job in this province. There is no point in calling this a magic figure and hoping that we can do it with 98 or 105 or any other figure.,

No tax is popular but the sales tax which was introduced in this House this year places Ontario, as I have stated, as one of eight Canadian provinces and one of 40 American states that have this tax.

Our rate of tax, three per cent, is now the lowest in Canada. British Columbia, Saskatchewan, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland all have a tax which exceeds this. Exemptions in Ontario are now the widest and most generous not only in Canada but in North America. These exemptions—and we realize this—these exemptions increase the difficulties of collection because if hon. members remove the exemptions they remove all the difficulties with collection. But the headaches of the retailer are nothing now as compared with what they would be with the increase of the exemptions as proposed by the hon. leader of the Opposition.

Now I would like to say something somewhat personal as leader of the government. This is a new job as far as I am concerned but I am prepared, with an open mind, to consider any proposal for providing the money to finance this province—that is any proposal I believe to be consistent with common sense and will provide the money to assist in the development and expansion of Ontario's human and material resources.

An examination of this proposal leads me to only one conclusion—that it is completely impracticable. For the Opposition which has pointed to increasing debt in Ontario, which has called loudly for further expenditures, which has advocated a sales tax for whatever reason in the past, it would simply mean that the hon. Provincial Treasurer would have nearly \$100 million less money than he needs as a bare minimum.

The only alternatives would be either to resort to a much higher and more unpleasant income tax, or increase our combined federal-provincial corporation tax in Ontario, which is now 52 per cent, or the alternative is to

cut grants to the public, separate and secondary schools in the province, reduce our health services, reduce our welfare services or our highway services. Now these are the alternatives and they are indeed relatively simple.

Actually what we need in Canada is a thorough investigation and review of our whole Canadian tax structure and the adoption in concert between the provinces and the federal government of some measures aimed at removing discrimination and unfairness which can dwarf our country's competitive position.

For myself and the government which I lead, I am prepared as a Canadian to confer with the federal government and the governments of the other Canadian provinces in arriving at fair and equitable solutions of these taxation problems which not only can impair our competitive position but, as well, dwarf the development of our country. This is a big job for us all and one to which this government is prepared to devote its utmost energies. I make this statement at this time as indicating our willingness to co-operate with all of Canada and all other governments in providing the unity of action needed by our country in this period of great competition and at the same time this period of great opportunity.

Hon. Mr. Robarts moves the adjournment of the debate.

Mr. MacDonald: Mr. Speaker, I protest this is a violation of the rules of this House. My hon. colleague was up before the hon. Prime Minister rose. Now I did not object when you called the hon. Prime Minister to speak, because he is the leader of this House and therefore if you would choose him over another hon. member, fine. But that he should move the adjournment of the debate and we should not have an opportunity to express our views, I say is a gross violation of the rights of a group in this House.

Mr. K. Bryden (Woodbine): Mr. Speaker, on a question of privilege, since I am personally involved, I would call your attention to the fact that I was on my feet well before the hon. Prime Minister (Mr. Robarts) after the hon. leader of the Opposition (Mr. Wintermeyer) sat down, that under the rules of the House all hon. members are equal as far as their right to participate in debate is concerned. The rules apply equally to all.

I was quite happy to defer to the government leader, the hon. Prime Minister, when he indicated a desire to speak, but it is in

my opinion, sir, a shabby trick for him to take advantage of my courtesy in the matter to gag me so that this group cannot say anything in this important debate.

Hon. Mr. Robarts: Mr. Speaker, there was no intent on my part to gag the hon. member for Woodbine (Mr. Bryden), but as I said in the beginning, this is a private member's public bill. We had certain recommendations made last year that these should be called. I said last night that I would call the bill but I did not call it for a full debate. There is nothing that has been discussed this afternoon in reference to this bill that cannot be discussed completely in the budget debate, this whole matter can—

Mr. MacDonald: Why did the hon. Prime Minister bring it up this afternoon?

Hon. Mr. Robarts: I brought it up this afternoon because I am following a procedure. If the hon. member wants to hear why I did it, I will tell him. If he wants to interrupt me, I will sit down, and not tell him. But I called it because it is a private member's public bill and it will be my intention to call several of these. I said this before the hon. leader of the Opposition started to speak. These bills can be called and can be debated and then they can be recalled—they go back on the order paper—but they are not going to be put in here and forced eventually to a vote as a government bill is done. This is usual procedure in any parliament. And I told the House this is what I was going to do before I started.

Mr. MacDonald: Mr. Speaker, that the hon. Prime Minister should rise and say that the usual procedure in any parliament is to deny one group in the House the opportunity to express its views is just utterly ludicrous. This is a closure. Mr. Speaker, if we could have spoken on another occasion so could everybody else on another occasion and I submit to you, Mr. Speaker, that since the hon. member (Mr. Bryden) was on his feet ahead of the hon. Prime Minister, he has the right to speak. Therefore, Mr. Speaker, I think it is your obligation to protect his right to speak.

Mr. Speaker: The Speaker has noted all the remarks from the hon. members, the booing and everything, and keeping in mind, of course, that this motion does not necessarily close off the debate. Since I have a motion before the House at this point I have nothing to do but put the motion.

Mr. MacDonald: Mr. Speaker—

Mr. Speaker: The hon. Prime Minister moves the adjournment of the debate.

Mr. MacDonald: Mr. Speaker, I have no alternative but to call for a division on this and I hope that in protection of the rights of the Opposition that I can get the Liberal Opposition to support me because this is a basic issue that has nothing to do with the merits of the debate.

Mr. Speaker: Will those members in favour of the motion please say "aye." As many as are opposed please say "nay." The "ayes" have it

I declare the motion carried.

House in committee of the whole; Mr. K. Brown in the chair.

THE INCOME TAX ACT, 1961-62

House in committee on Bill No. 43, The Income Tax Act, 1961-62.

Sections 1 to 53, inclusive, agreed to.

Bill No. 43 reported.

THE DIVISION COURTS ACT

House in committee on Bill No. 18, An Act to amend The Division Courts Act.

Sections 1 to 3, inclusive, agreed to.

Hon. A. K. Roberts: (Attorney-General): Mr. Chairman, I move that the following be inserted as section 4 of the bill:

(4) This Act comes into force on the day it receives Royal assent.

That the short title section be renumbered as section 5.

Amendment agreed to.

New section 4 agreed to.

Section 5, formerly section 4, agreed to.

Bill No. 18 reported.

THE FIRE MARSHALS ACT

House in committee on Bill No. 19, An Act to amend The Fire Marshals Act.

Section 1 agreed to.

Hon. Mr. Roberts: Mr. Chairman, I move that section 3a of the Act as set out in section

2 of the bill be amended by adding thereto the following subsection:

(vii) The relationship between a member of a fire department and a municipality by which he is employed continues for the purpose of The Workmen's Compensation Act as if this section had not been passed.

Amendment agreed to.

Hon. Mr. Roberts: Then, Mr. Chairman, I move that the following be inserted as section 3 of the bill:

(3) This Act comes into force on the day it receives Royal assent.

And that the short title section of the bill be renumbered as section 4.

Amendment agreed to.

Section 2, as amended, agreed to.

New section 3 agreed to.

Section 4, formerly section 3, agreed to.

Bill No. 19 reported.

THE POLICE ACT

House in committee on Bill No. 24, An Act to amend The Police Act.

Sections 1 to 3, inclusive, agreed to.

Hon. Mr. Roberts: Mr. Chairman, I move that section 39a of the Act as set out in section 4 of the bill be amended by adding thereto the following subsection:

(viii) The moneys required for the purposes of the commission shall be paid out of a consolidated revenue fund until the 31st day of March, 1962, and thereafter shall be paid out of the moneys appropriated by the Legislature for the purpose.

I also move that the following be inserted as section 6 of the bill:

(6) The Police Act is amended by adding thereto the following section:

45(g) The relationship between a member of a police force and the body that employs him continues for the purposes of The Workmen's Compensation Act as if this part had not been passed.

And that sections 6 to 12 of the bill be renumbered as sections 7 to 13. Also that section 11 of the bill, now renumbered as section 12, be struck out and the following substituted therefor:

(12) This Act comes into force on the day it receives Royal assent.

Amendment agreed to.

Section 4, as amended, agreed to.

Section 7, as amended, agreed to.

New section 6 agreed to.

Section 8, formerly section 7, agreed to.

Sections 9 to 11, inclusive, agreed to.

New section 12 agreed to.

Section 13, formerly section 12, agreed to.

Bill No. 24 reported.

THE DEPARTMENT OF LABOUR ACT

House in committee on Bill No. 39, An Act to amend The Department of Labour Act.

Hon. W. K. Warrender (Minister of Labour): Mr. Chairman, I move that the new section 9(a) of the Act as contained in section 1 of the bill be amended by striking out the expression "Ontario Safety Council" wherever it occurs, and substituting in each instance: "Labour Safety Council of Ontario."

Section 1, as amended, agreed to.

Sections 2 and 3 agreed to.

Bill No. 39 reported.

THE VITAL STATISTICS ACT

House in committee on Bill No. 40, An Act to amend The Vital Statistics Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 40 reported.

THE CORPORATIONS ACT

House in committee on Bill No. 41, An Act to amend The Corporations Act.

Sections 1 to 6, inclusive, agreed to.

Bill No. 41 reported.

THE CORPORATIONS INFORMATION ACT

House in committee on Bill No. 42, An Act to amend The Corporations Information Act.

Hon. J. Yaremko (Provincial Secretary): Mr. Chairman, I move:

That section 1 of the bill be amended by adding "and" at the end of the first line of subsection (5c) and by striking out clauses (a)

and (b) of the said subsection (5c) and substituting the following:

(a) which is incorporated under the law of Ontario within thirty days after the 1st day of July, 1962, if its incorporation occurred before that day, or within thirty days after the date of its incorporation, if its incorporation occurred on or after that day;

(b) which is not required to be licensed under Part IX of The Corporations Act and which has established its head or other office in Ontario or has commenced to carry on business or a part thereof in Ontario before the 1st day of July, 1962, within thirty days after that day, or which establishes its head or other office in Ontario or commences to carry on business or a part thereof in Ontario on or after that day, within thirty days after such establishment or commencement; or . . .

That amendment has been reprinted in the Bill which is in the bill book and it is necessary, in order that this section apply to all companies whether they have been incorporated prior to the passing of this bill or subsequently.

Mr. Chairman: Shall the bill to be considered be the reprint of the bill?

Agreed to.

Sections 1 to 3, inclusive, agreed to.

Bill No. 42 reported.

THE MILK INDUSTRY ACT

House in committee on Bill No. 48, An Act to amend The Milk Industry Act.

On section 1:

Mr. L. Troy (Nipissing): Mr. Chairman, before you carry that section, I understand that the Verner and Sudbury people are not too happy with the differential. They want it to remain as it is; but, as in everything, the majority rules and they just wanted me to put that on record.

Hon. W. A. Stewart (Minister of Agriculture): Mr. Chairman, I would like to move that section 18 of The Milk Industry Act as contained in section 2 of the bill be struck out and the following substituted therefor:

Where one of the objects of a co-operative corporation to which part 5 of The Corporations Act applies is to engage in the transportation of milk and the board

issues a certificate to the Minister of Transport that more than three-quarters of the shareholders or members of the corporation are producers supplying milk to one or more plants in a municipality, no operating licence under The Public Commercial Vehicles Act is required by the corporation for the purpose of transporting such milk.

Subsection 2: The board may after a hearing revoke the certificate issued under subsection 1, and shall give notice of the revocation to the Minister of Transport.

Subsection 3: Every certificate heretofore issued by the board or by any predecessor thereof under the authority of this section or any predecessor thereof expires 90 days after this Act comes into force.

Section 1 agreed to.

Section 2, as amended, agreed to.

Sections 3 and 4 agreed to.

Bill No. 48, reported.

NOTICES OF MOTION

Clerk of the House: Notice of motion No. 1, by hon. W. K. Warrender,

Resolved, that the members of the Ontario Safety Council may be paid remuneration and expenses at such rates as are determined by the Lieutenant-Governor in Council, and the amounts thereof shall, until the 31st day of March, 1962, be paid out of the consolidated revenue fund, as provided by Bill No. 39, An Act to amend The Department of Labour Act.

And notice of motion No. 2,

Resolved, that an income tax shall be paid for each of the 1962 to 1966 taxation years, inclusive, by every individual who was resident in or had income earned in Ontario, being the percentage of the tax payable under The Income Tax Act (Canada) as follows:

- (a) 16 per cent in respect of the 1962 taxation year;
- (b) 17 per cent in respect of the 1963 taxation year;
- (c) 18 per cent in respect of the 1964 taxation year;
- (d) 19 per cent in respect of the 1965 taxation year; and
- (e) 20 per cent in respect of the 1966 taxation year;

as provided by Bill No. 43, The Income Tax Act, 1961-62.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I beg to inform the House that His Honour the Lieutenant-Governor having been informed of the subject matter of the proposed resolutions, recommends them to the consideration of the House.

Resolutions concurred in.

Hon. Mr. Robarts moves that the committee of the whole House rise, and report that it has come to certain resolutions, certain bills without amendment, certain bills with certain amendments and ask for leave to sit again.

Motion agreed to.

The House resumed, Mr. Speaker in the Chair.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain resolutions, certain bills without amendment, certain bills with certain amendments and asks for leave to sit again.

Report agreed to.

SPEECH FROM THE THRONE

Mr. R. M. Whicher (Bruce): Mr. Speaker, last night when I was interrupted by the hour of six o'clock, I was about to go into the discussion of what has been well discussed by the hon. leader of the Opposition (Mr. Wintermeyer) and by the hon. Prime Minister (Mr. Robarts) here this afternoon—the Wintermeyer plan for exempting all purchases of \$25 and under, insofar as they are affected by the Ontario retail sales tax.

I would like to say, Mr. Speaker, that while the hon. Prime Minister very sincerely said this afternoon that he had not had the opportunity of seeing this plan, and the estimate of the Ontario sales tax revenue under the Liberal plan, until this afternoon, nevertheless I have had the opportunity of examining this document; and I want to say, Mr. Speaker, that, after spending many hours of consideration on these figures, as far as I am concerned they are completely, absolutely and 100 per cent correct, and that if he brings his experts in to discuss these matters with our experts he will find that the premise on which he gave his speech this afternoon was completely wrong, and factually completely irresponsible.

This afternoon the hon. Prime Minister said, for example, that if he exempted sales of under \$25 people who were buying a television set might go in and buy tubes and then

they might buy the casing separately, etc. I might say, Mr. Speaker, that this is completely nonsensical and has no semblance of factuality at all.

It is just common sense to know that when one is going to buy an automobile, one is not going to buy one wheel today and one wheel tomorrow. The automobile is bought as a whole. It is with this simple approach that we in the Liberal party, under the leadership of our hon. leader, have devised this plan which we believe would eliminate a great deal of the time and effort it is taking many of our small business men in the province of Ontario today.

For example, Mr. Speaker, while the hon. Prime Minister was unwilling to talk about this plan as we presented it, I bring to your attention the fact that the majority of taxes collected under the Conservative plan for collecting sales tax comes from the construction and housing industry, the machinery and equipment industry, the liquor tax, the cigarette tax, the meals and the telephone tax.

The hon. Minister of Energy Resources (Mr. Macaulay) after being away for several days, no doubt busy with public affairs, said this afternoon that we objected to the tax on telephones last year. That is absolutely correct; we did object to the three per cent sales tax on telephones. But we said that instead of having it on ordinary expenditure it should have been put on long-distance calls.

However, our experts, in discussing this matter with them, say there would be a considerable amount of work in doing this. For this reason we have left in our plan the three per cent tax on telephones, as on page 1 of the estimate that is on every hon. member's desk at the present time.

Hon. R. W. Macaulay (Minister of Energy Resources): Would the hon. member allow me to ask him a question about that?

Mr. Whicher: Yes, I would.

Hon. Mr. Macaulay: I am a little confused by the list as to whether this is telephone calls, or whether it is on the service charge of the telephone company for the rental of the equipment during the month.

Mr. Whicher: Mr. Speaker, as the hon. members will see, at the present time under the Conservative plan the government is collecting \$4.5 million in sales tax. We will collect exactly the same amount. I am sure that will answer the question. There will be no change; it will be exactly the same.

Hon. Mr. Macaulay: Let us be fair about it. I am just trying to clarify your position. I do not know whether this is telephone calls. The hon. member is talking about telephone calls but I do not think the Act does provide a tax on telephone calls, but simply on the service charge. That is my first point. Is this not correct?

The second point is that most telephone service charges are under \$25, and I do not think you can compare these.

Mr. Whicher: Mr. Speaker, what the hon. Minister has said is quite correct; but we are saying that we will exempt everything under \$25, with the exception of telephone calls, with the exception of the tax on cigarettes, with the exception of the tax on liquor and on meals for \$1.50 and more. I am sure that will answer the question.

As far as we are concerned, and I say this to the hon. Prime Minister (Mr. Robarts) in absolute sincerity, and with factuality, we will not be changing the amount of tax that we collect from telephones by one single copper. We will take exactly, as his experts tell him, \$4.5 million on telephones in the year when we get in next.

The housing and construction industry. Mr. Speaker, the facts are this: under the Conservative plan at the present time there will be—and these are government figures—there will be taxable amounts of \$900 million in the construction industry for the next 12 months. At three per cent on \$900 million, you will collect \$27 million in taxes. Mr. Speaker, we will collect exactly \$27 million too because all this construction and housing amounts are amounts of \$25 and over and therefore we will collect \$27 million.

In machinery and equipment, according to government figures, there will \$450 million spent which will be taxable in the next 12 months. We will collect exactly the same amount, which according to the government's own figures are \$13.5 million, which together with the extension of liquor, meals, telephone and tobacco, brings in a total of \$94 million in taxes under a sales tax with figures that are identical to the government's.

Therefore, Mr. Speaker, with all due respect to the hon. Prime Minister, I say to him how could he sincerely stand up in the House this afternoon and not only attempt to lead the hon. members of this House astray, but the newspapers and the people of this province, when he says that we would only collect \$52 million, while in reality we are collecting—from those amounts themselves

which are identical to the Conservative plan—\$94 million. If these are not misstatements then I do not know what misstatements are. Not only did he attempt to mislead the public, but as the leader of the government in this province, he showed complete irresponsibility in bringing forth figures like he did this afternoon.

Mr. Speaker, we are collecting \$40 million in the construction and machinery and equipment industry. We are collecting \$40 million from that, \$28 million from the automobile, furniture and appliance industries.

Hon. Mr. Macaulay: If the hon. member would look at Bill No. 47—let us straighten this out. Bill No. 47 says that he is not going to tax anything under \$25. Then he talks about meals at \$1.50, liquor, bottled beer and tobacco and tobacco products. Now, he does not exempt, therefore, telephone calls, does he?

Mr. Whicher: No.

Hon. Mr. Macaulay: Therefore, they are taxable. But all of them are under \$25, so how can you tax them?

Mr. J. J. Wintermeyer (Leader of the Opposition): The bill was drawn with great care.

Mr. Whicher: Mr. Speaker: the point is that the hon. Minister of Energy Resources (Mr. Macaulay), whom all of us respect in this House for his natural ability, has not been in this House for the last three days and has lost contact, and for the first time in my life I must say in a kindly way that he is slightly confused. Not as confused, I must say, as the hon. Prime Minister was this afternoon, because he was very much confused.

Hon. Mr. Macaulay: No, but the hon. member has not answered the question.

Hon. J. P. Robarts (Prime Minister): No, he has not answered it.

Hon. Mr. Macaulay: Well, if he is not confused, let him answer it.

Mr. Whicher: Well, as a matter of fact, I am not the least bit confused. I have not got the Act in front of me, I have our own statement, which is absolutely correct.

Hon. Mr. Macaulay: Here, give the hon. member a copy of the Act.

Mr. Whicher: Now, Mr. Speaker, I want to carry on a little bit further. Inasmuch as

it is definitely proven by figures that are compiled by, I assure the hon. Prime Minister, by experts we are collecting \$94 million without changing the situation whatsoever, is it not reasonable to presume that we can collect another \$21 million from the many other things that will be taxed that are not under the construction industry, the housing industry, the automobile, furniture and appliance industries?

First, I put jewellery, we have not even mentioned that. We say, on page 1 of our submission, that in clothing and jewellery under your plan you will collect \$11.7 million, and under our plan we will collect \$4.8 million.

Is it not true, Mr. Speaker, that when a person goes in a jewellery store and buys a \$1 item he makes a lot of work for the jeweller in collecting this tax and an inconvenience for the man paying the tax? Is it not true that if a person goes in and buys a \$2,500 ring that the jeweller collects just as much tax under our plan as he would in 2,500 different entries of \$1 apiece under the government's plan?

Mr. Speaker, is it not true that such things as diamond rings are all over \$25, such things as watches—

Hon. Mr. Macaulay: No, no. Not all of them.

Mr. Whicher: A great many of them. I might say that all those people who ran for the leadership campaign, according to what they spent, have watches worth far more than \$25. And I might say that all their wives did the same with diamonds—a girl's best friend.

Obviously, Mr. Speaker, if the hon. Prime Minister was sincere—I give him credit for this much anyway—he said that he would let his experts talk to us. We will certainly welcome that and we say that by bringing in this sensible plan that we will be bringing a little bit of order to the small business people of the province of Ontario.

Mr. Speaker, the hon. Prime Minister said that if you had exemptions you would increase cost. Well, now, under our plan 75 per cent of those businessmen in the province of Ontario who are affected by the retail sales tax would have nothing whatsoever to do with it any more. To me it is a ridiculous situation when the leader of a province stands up and gives such an irresponsible address as he did this afternoon.

Hon. Mr. Robarts: Mr. Speaker, as a matter of privilege, the hon. member says in one breath that I am prepared to let our experts

get together on these figures to find out who is right, and in the other breath he says I am irresponsible. Now, the two things do not jibe. I am quite prepared to submit computations on these figures to examination. I have made this offer. As a matter of personal privilege I do not see where any irresponsibility comes in. I could say the same thing about the hon. member's speech.

An hon. member: The hon. Prime Minister did.

Hon. Mr. Robarts: If I did, I apologize.

Mr. Whicher: Mr. Speaker, what I did say to the hon. members of this House was that the hon. Prime Minister was half responsible, he was half right this afternoon, sincere in one place.

Now, Mr. Speaker, I am sure that there will be other things said about this tax, and as far as I am concerned I am perfectly willing to take the word of the hon. Prime Minister that he will allow his experts to sit down with ours and examine this situation. I assure him that the small businessmen who are compiling this tax every month to send in a few cents or a few dollars to the hon. Treasurer will be frankly relieved if he does allow this to proceed to its proper conclusion.

Yesterday, I said that in spite of the fact that we have a sales tax of \$150 million this year, the province of Ontario, according to the hon. Treasurer's own figures, is going into an additional deficit of \$180 million this year. To us on this side of the House this is a startling revelation that was given to us in the budget speech last year.

We remind you, Mr. Speaker, that this year out of the revenues of the province of Ontario \$45 million are going for the payment of interest on the public debt alone. We remind the hon. members of this House, Mr. Speaker, that in the time of a former Prime Minister of this House, that great leader the hon. Mitchell Hepburn, that the budget of this province was only twice what the interest now costs you.

We are worried because of the fact that with your deficit budgeting this year there is going to be a further \$9 million increase in the interest paid this year. In other words, if you are paying \$45 million this year for interest, next year you will be paying \$54 million.

Our question, Mr. Speaker, is simply this. Where is this going to end? When are you going to bring in to us a sensible plan that is used by successful businesses in the province of Ontario and indeed throughout the world? You cannot go on continually spend-

ing without knowing some time when you are going to be able to reduce this great debt that is around our necks and will be a great mortgage on our children and on our grandchildren in years to come.

We are very, very sincere in this observation. For example, the other day in the committee on energy which the hon. Minister of Energy Resources (Mr. Macaulay) did not have the opportunity of attending, we pointed out that while we appreciated the fact that over the last 50 years Hydro has done a great job in providing lights and electricity to the people of the province of Ontario, nevertheless when you consider the fact that at the present time they owe \$1.75 billion to the people of this province and to bond holders scattered all over this continent, that they only have perhaps \$2 billion plus in assets, we appreciate that great burden and a great tax to the people of this province when they have to pay the interest on this debt.

And so great is this interest and so much of the expenses of this government and of Hydro have gone up, that we are gradually pricing ourselves out of the market.

The other day in the energy committee my hon. colleague from Niagara Falls (Mr. Bukator) told the story that at least two industries in this province have moved out and did not establish themselves here because of the fact that Ontario Hydro was not able to give a comparable rate to the hydro cost offered by our sister province of Quebec.

An hon. member: Was that the only reason?

Mr. Whicher: That was the reason that was given to us. To us, Mr. Speaker, this is a startling revelation and while appreciating the fact that there are many things that come into the development of such a great organization as the province of Ontario or as Ontario Hydro, nevertheless we are worried that these costs have gradually got out of hand and that the government opposite has done nothing about it whatsoever.

I might compare, for example, the debt of Ontario Hydro, comparing it to its assets, to something like this. They have approximate assets of \$2 billion and approximate gross debts of \$1.75 billion. I might compare it to a small business man, or this would be a medium sized business man, I think, who had a business worth \$100,000 and who owed \$87,500 as opposed to the \$100,000. I suggest, Mr. Speaker, that no businessman could go to the banks or to the bonding organizations and get this amount of money

when he only had assets of \$100,000. I suggest that this has gone too far and that this government should show leadership and do something about these things.

I am not going to take much longer but I just want to mention this point. Very shortly in this province, we are going to have five by-elections. In these by-elections I have an idea what the hon. Prime Minister and his colleagues are going to say. They are going to go into these constituencies and they are going to make what is known as "election promises". There is no question about it whatsoever. They have been making election promises for the last 16 or 17 years.

An hon. member: 20 years!

Mr. A. Johnson (Parry Sound): And we are going to make them good.

Mr. Whicher: Inasmuch as they are the government in power, people have a tendency to believe that perhaps they might be able to put up some big building if their member was elected—or perhaps they might be able to build a road through this certain constituency. But I want, Mr. Speaker, the people who are affected in these by-elections to remember some of the past records—remember that they promised, as far as roads are concerned, that highway 401 was going to be completed in a certain number of years, and it has not been finished yet.

I want to remind the people in areas like Owen Sound that the government promised a hospital there 10 years ago and only now have they started to build it. These things take a great deal of time, but I will tell you, Mr. Speaker, one thing that we will promise the people in these constituencies if they elect a Tory government. We promise them this much—that inasmuch as they have gotten this country into such a financial mess—inasmuch as at the present time they owe over one billion dollars in net debt in this province—we can promise that under a Tory regime the people will get nothing but higher taxes.

Mr. Speaker, two years ago in the budget debate I prophesied to this House that the Conservative government would bring in a sales tax last year—which they did. I now prophesy, Mr. Speaker, that if a Conservative government is still in power in the next year or two years, and certainly five years, that the sales tax will be increased from 3 to 5 per cent—and if they are honest, they will admit it.

I further prophesy that inasmuch as financial houses are going to force this government to bring their financial affairs into a state of order—that inasmuch as in spite of a sales tax, they are going in debt this year to the tune of \$180 million—they will bring in a provincial income tax. Because unless the government brings some economy and efficiency into the departments, the government is going to be forced to do it because the banking houses are not going to keep up loaning the money forever.

Our highway system in this province is at least five years behind the times—here, for example, they built highway 401 to go around the city of Toronto and today—where is it? It is right through the city.

Your highways are at least five years behind the times! Therefore, I prophesy that the gasoline tax will be increased very shortly if this government remains in power.

These are the things that I can actually promise the people who are affected by these by-elections if the Conservative government remains in power.

Mr. G. E. Gomme (Lanark): Let the hon. member promise them what he will do.

Mr. Whicher: I will tell the hon. member what we will do, Mr. Speaker. All you have to do is look what happened in Ottawa. The difference between a Tory and a Liberal government is this: we promised to give responsible government and to balance the budget. Perhaps I might be taking words out of my federal colleagues' mouths now—we promise that we are not going to allow people to continually draw money from the unemployment insurance fund just for the sake of getting votes—for example, ladies who happen to be pregnant drawing money out of this fund for months and months and months, when they are unable to work. It is not a pension fund.

We promise that we are not going to allow people to draw hundreds of millions of dollars out of this fund. When our Liberal colleagues in Ottawa left there was \$900 million in the fund. Now in spite of increased amounts that the employee and the employer have put into the fund, you have only \$150 million left.

In other words, Mr. Speaker, we promise responsible actions. Not only, I would say, from we who are privileged at the present time to sit in the Opposition, but once again when the Liberal government is returned to Ottawa, a responsible government there—that will bring this country from the lackadaisical

manner in which we are doing business today to once again bringing it to one of the forward countries of the world.

Mr. W. B. Lewis (York-Humber): Mr. Speaker, once again it is my privilege to compliment you on the fair and able manner in which you conduct your very responsible position.

Many times the exuberance, or whatever you may call it, of quite a few hon. members of this House, would try the patience of Job. Therefore, it is quite apparent you have more patience than that historical figure. Because very quickly you put out the fires of over-enthusiasm and restore order once again to this august body.

Mr. T. D. Thomas (Oshawa): When did Job take part in this debate?

Mr. Lewis: Oh, we have everybody on our side of the House.

An hon. member: He thinks the Tories are divine now.

Mr. Lewis: Mr. Speaker, just over a year ago I had the honour to be appointed by the administration as a member of the Ontario Hospital Services Commission.

In the intervening months I have been able to observe and to take some part in the operation of this huge enterprise and more especially to participate with other members of the commission in deciding matters of policy.

Needless to say, I was impressed with the work accomplished by the commission and with the immensity of the day-to-day duties which it is carrying on.

The commission has two basic responsibilities: (a) to ensure the development throughout Ontario of a balanced and integrated system of hospitals and related health facilities, and (b) to operate the Ontario hospital insurance plan which now serves over 95 per cent of the people of Ontario.

It is a matter of pride to me to be associated with a government body which is conducted with such high standards and businesslike efficiency.

One cannot help but observe the fund of information presented to the commission by the management concerned with any hospital building project. Indeed, this occurs with respect to any other item brought up for approval. Each item is discussed with care by the members of the commission before decision is made.

There is often criticism of governments and of government commissions as to the conduct of their affairs but I can assure the Legislature and the people of Ontario, that they may be confident as to the job which is being done for them by the commission and by its very substantial body of employees.

As so many members of this House are aware, the Ontario Hospital Services Commission is currently conducting a business handling over \$200 million a year. Most of us here are of limited means, and figures of this size make little impact. However, I might mention that this sum is twice the cost of running the affairs of the entire province a couple of decades ago.

Our estimate is that well over one million hospital patients will have their bills paid under the insurance plan, the total cost of which will be about \$224.5 million.

For 1962 our estimate is that the cost will reach \$263.8 million.

These accounts do not include cost of the province for patient care in tuberculosis sanatoria and mental hospitals. These services are also available without cost to insured persons but they are not included in the figures I quoted, because they are paid for out of a separate fund.

The true value of the work being accomplished by the commission goes far beyond the actual dollars paid out for hospital care. I refer, of course, to the tremendous peace of mind which is given to every insured person and family.

The elimination of the staggering and catastrophic hospital expenses, which otherwise could be a burden on the backs of so many of our citizens who require prolonged hospital care and treatment, cannot be measured as to peace of mind.

Every month more than 90,000 people of this province have their hospital bills paid under the Ontario hospital insurance plan. These figures represent twice the population of a good many middle-sized cities in the Dominion of Canada. Some of the bills run into thousands of dollars but that is one of the reasons why we have the plan.

The commission is not content to permit the scope of the hospital insurance plan to remain static. For instance, in an effort to see what value there may be in discharging certain patients earlier and completing their treatment at home, the commission is participating in a pilot plan of post-hospital home care. This is being carried on in Metropolitan Toronto. When this two-year experiment is completed, the results will point the direction

towards which the commission should go regarding insurance benefits for such home care.

As another step toward making the best possible use of our in-patient hospital beds, the commission has applied for legislation to allow it to provide hospital insurance benefits to cover the hospital charges for certain conditions which can be treated on a short stay basis, and when such treatment would make it unnecessary for the patient to be admitted to hospital and remain overnight. Other such improvements will undoubtedly be made from time to time.

Hospital insurance is but one of the responsibilities of the commission. A very thorough job of analyzing the province's needs for hospital beds is under way. The commission studies not only how many beds but what kind and where.

I scarcely need add that this involves a continuing and detailed programme of research and consultation so that an educated approach may be taken to the various problems.

Thus, we are trying to determine that the right bed will be in the right place and that the right patient will be in the right bed.

The commission is conscious of the need to have our hospital beds properly distributed. Our aim is to ensure that active treatment beds are occupied by patients requiring active treatment. They should not be occupied by patients who should be in hospitals for the chronically ill.

Again, active treatment beds should not be a form of accommodation which is equally well supplied in homes for the aged. Hospital construction is not a mere matter of providing more beds. The hospital bed must have behind it all the scientific facilities along with a highly trained personnel required to make it an effective instrument of healing.

I might interject my opinion that if the province had an adequate supply of what we term domiciliary accommodation such as is found in homes for the aged, the commission's job would be made much easier and there would be a saving of millions of dollars of the people's money.

Perhaps here I should say that there has been during the life of this government an immense improvement in the quantity and the quality of accommodation in our homes for the aged. This has been made possible by the generous scale of grants provided federally and provincially.

At the end of 1960, Ontario had a rated hospital bed capacity of 37,835 or 6.2 per

1,000 of population. My information is that 6.25 to 6.5 beds per thousand of population is an adequate standard on the average throughout the community. Our problems arise in the distribution of beds mainly in large centres such as Metropolitan Toronto. In this huge Metropolitan area we have experienced a tremendous local population explosion resulting in a local shortage of hospital beds.

Over the past 12 or 13 months I have learned with emphasis what I already knew, namely, that health care is costly. The commission has numerous specialized consulting services. It has a rate board which is very cost conscious. It is, I can assure you, doing everything possible to control the cost of hospital care in Ontario. Yet there are certain increases which are inevitable. These are not new nor are they confined to Ontario. They have been in evidence for over a decade and a half throughout Canada, the United States and elsewhere.

I shall not weary you with detail, but I would say that hospitals, like industries, and perhaps in greater degree, have been paying more and more throughout the years for nearly everything they buy. It may be supplies, drugs or labour, but the cost trend has been steadily upward.

It must be remembered that close to 70 per cent of the cost of operating hospitals is in salaries and wages. For many years the hospital industry, if I may term it that, was very much behind general industry in the wages it paid. Now, however, hospitals are catching up and the rates of pay have almost reached parity with the wages of other similar employers in the community.

It is natural enough that everyone would like to see the day that the cost of all types of health care could be paid out of some huge gold-filled bottomless barrel. This would indeed usher in a Utopia of health care for the people of this province.

However, I must join in the cautioning remarks of our esteemed former Prime Minister (Mr. Frost) when he officially opened the Ontario Hospital Services Commission headquarters building. On this occasion he said in profound truth—"Money does not grow on trees."

There are definite limits to what we can afford in the field of public welfare. No province, I think, has done more than Ontario to see that state assistance is made available in whatsoever form to those who temporarily or permanently need state assistance. We pay for or participate in paying for old age assistance, pensions for the blind, allowances

for dependent mothers and children, allowances for unemployables, and we also give on an unprecedented scale for the operation of homes for the aged.

There are limits to what the economy will stand in this direction and there are limits to what the people are willing to pay.

In the past decade or two, we have launched and we are paying for generous welfare measures and we must be careful about rushing too far and too fast into new fields of state assistance however worthy they may be.

We have, I think, a wonderful thing going for the people of Ontario in the Ontario Hospital Services Commission. We must keep an open mind toward the idea of greater health protection for the people of this province. Yet we must take careful thought, as I see it, before we commit the people to greater protection. However desirable it may be, we must not impose upon the tax-paying public a burden beyond their limit to bear.

Now, Mr. Speaker, I will say "30" to this rather short address, and through you, Mr. Speaker, I wish to thank the hon. members for their attention.

One more item, Mr. Speaker. In the spirit of the festive season, fast approaching, I would suggest to all my hon. friends in the Opposition that they remove from their hearts that satanic reprobate, "Old Nick" and replace him with that "Friendly old soul, Saint Nick"—so that they may enjoy a very merry Christmas and come back to this House in the new year, refreshed, and more able to do battle with this great group, the Tory government of the province of Ontario, Canada's banner province.

Mr. F. R. Oliver (Grey South): Mr. Speaker, in rising to make some remarks in the speech from the Throne debate, I would indeed be remiss in my duty if I did not offer my congratulations to you in the way that you have performed the duties of your office. I know, of course, from past experiences, that it is trying at times to be impartial, but we on this side of the House feel, sir, that you have made every effort to be impartial and for that we congratulate you and are willing, of course, to bow to your ruling, whatever that ruling may be, because we know that from you will not come any unjust rulings.

In commencing my remarks this afternoon I should, of course, pay some attention to the happenings of recent months that have changed the landscape on the other side of

the House. These events seem to cry out for some comment, perhaps some satire, perhaps just comment unvarnished.

I was thinking as I listened to some of the government speakers that sometimes change is not for the better; one cannot always count on it. So far as the government is concerned, I am reminded very much of the man who vacated the chair of the Prime Minister of the province. It had to be vacated before this event took place.

He was a very shrewd leader of government in this province for a great many years. One thing that he always seemed to have on his side, and working for him, was time. Many of his great moves were almost timed to the second, one would think.

Sometimes we thought he was lucky, other times of course that he was deliberate in guessing the correct time. But whatever be the reason, he had the faculty of picking the best time possible for the major events of his political career. So far as elections were concerned, and by-elections, he was a master of timing. That much we have to say for him, even though begrudgingly, we have to say he was a master at timing right up to the last.

I think his last great exhibition of proper timing was when he resigned as leader of the government. That just goes to show what a master timer he was. He had gone along as long as he could, and he had reached the place where the clouds were gathering on the horizon—visible signs of disunity that even he could no longer control. So in the true spirit of the laird of Lindsay, he once more timed it accurately and resigned.

I often wonder about a certain statement that the hon. member for Victoria (Mr. Frost) made when he was being pressed to call two by-elections in the city of Toronto, two seats that had become vacant by the deaths of members. He made what I thought was the most astonishing excuse for not calling these by-elections. He said that he would not call the by-elections until a redistribution of the metropolitan seats had taken place. That was not like the hon. member for Victoria; and one, at that time, could read of the intentions he had in mind. The reason he made that statement, of course, was that he knew he was going to resign and he knew that it would take him over the time when he would have to call a by-election.

The timing of this last great political act was so accurate that he who runs may read. It is not difficult to qualify that as a great act of good timing.

I am reminded—and I had the opportunity to look back in the pages of history and find other examples of good timing, particularly on the part of Tory prime ministers. I remember back in the early 1930's another example of good timing, when the Tory prime minister of the day faced with obstacles that he could not overcome or control, relinquished the reins of leadership to Mr. Henry and allowed Mr. Henry to be the scapegoat and to be the filler-in until the avalanche would come—as the avalanche did come, of course, in 1934. History has a habit of repeating itself, and an exact replica of what happened in 1934 is about to happen in this government.

The “laird from Lindsay”, a great politician if ever there was one, resigned when he knew that the going was getting tough; and he put in his place, or there was put in his place—let us be fair about that—a young inexperienced man to carry the brunt of battle over the most difficult of times. The hon. Prime Minister (Mr. Robarts) is serving in exactly the same position and for exactly the same purposes and to exactly the same end as Mr. Henry served prior to 1934.

Hon. M. B. Dymond (Minister of Health): They have not got a Hepburn.

Mr. Oliver: Our excitable doctor from the hinterlands of Ontario county is going to have the opportunity of speaking in a few moments and he can make his speech then.

Hon. Mr. Dymond: Yes, but the Opposition has not got a Mitch.

Mr. Oliver: If the government had a Mitch here now I would not feel so certain of its doom.

Mr. Speaker: Order, order.

Mr. Oliver: This is an opportunity to make some comments on this situation, and I want to be as charitable as ever I can be.

Mr. G. W. Parry (Kent West): For a long time, eh?

Mr. Oliver: Yes, more charitable perhaps than I have been for a long time. But I want to say—and this is a considered judgment, it is an opinion that has been weighed and then weighed again—that when one looks at the picture across the way, there is not any sign of improvement.

I remember one time when we had an implement of production on the farm and it was almost worn out, and so the hired man

said, “We will get a new piece to put on this machine.” He thought it would be the economical thing to do. Well, we found out in our experience that the new piece would not fit at all on the old machine and it was just a complete wastage of money. And it will be a complete wastage of whatever talents my hon. friend possesses to try to mix them in with the lack of talent that is so apparent on the other side of the House.

Mr. Speaker, I want to talk for a while this afternoon on the subject of agriculture. It is not a strange subject for me to talk on and I think we are at a time when some plain talking needs to be done about the industry of agriculture. I say quite frankly that I think agriculture today stands at the crossroads, and it depends on whether the government appreciates that position, whether they will go on to their proper destiny or whether they will go backwards in this province.

There is the thought in the statement of the hon. Minister of Agriculture (Mr. Stewart) this afternoon, and I enjoyed the remarks that he made, perfectly timed as they were, not earth-shaking by any sense or any stretch of the imagination but timed to meet a particular situation. The only trouble was that the ingredients of that speech were not such as would meet any situation. It was merely a recital of normal and ordinary change within the departmental set-up itself.

He told us this afternoon that Dr. Graham had retired. All of us in this House, irrespective of which side of the House we sit on, are, I think, indeed grateful to Dr. Graham for the contribution that he made over the years in the cause of agriculture. We regret that he is being retired and we hope that the one who takes his place, Mr. Biggs, will live up to the fine example, fine standard of service, that was rendered by Dr. Graham.

But what I wanted to point out to the hon. Minister was that in his remarks this afternoon he simply gave notice of a shake-up within the department itself, a change in the departmental structure, a reshuffling of departmental personnel. That is not what the farmers want in this province from this government; that is not what they have a right to expect, even from this Tory administration. They are not going to be satisfied with a shuffling of administrative posts. What they are demanding, and what they have a right to expect, is the emanation of new policies coming out of The Department of Agriculture that will meet the needs of Ontario farmers.

In my hon. friend's statement this afternoon there was no evidence of new policy, none whatever. It was simply a reshuffling of

what had gone on and a re-arranging of the personnel within the department. No indication fell from the lips of my hon. friend as to what he was going to do to meet the perplexing problems that the farmers have—no intimation at all, just as there has never been any intimation from his predecessor as how to meet the crucial farm problems in Ontario.

I am going to elaborate, perhaps at some length, this afternoon to show what, in my judgment, are some of the main problems facing agriculture; and I hope to be able to show that the government has been lax, very lax indeed, in coming to grips with these problems and in presenting a solution thereto.

I would like, Mr. Speaker, if the hon. Prime Minister would allow me, to adjourn the debate at this time, if he does not mind. I wanted to start on the main part of my remarks now, but it is almost 5.50 o'clock.

Mr. Oliver moves the adjournment of the debate.

Motion agreed to.

Mr. Speaker: It being 6 o'clock, I do now leave the chair and will resume at 8 p.m.

It being 6 o'clock, p.m., the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, December 14, 1961

Evening Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, DECEMBER 14, 1961

The House resumed at 8:00 o'clock, p.m.

SPEECH FROM THE THRONE

Mr. F. R. Oliver (Grey South): Mr. Speaker, when you recognized the time of six o'clock, I was trying to bring my thoughts together to embark on the body of my speech. I want to say to the hon. Prime Minister (Mr. Robarts) that it was very courteous on his part to recognize that a quarter to six was really six; it helped me a lot because I did not know that I was coming on so soon and I did not have my speech ready. The dinner recess has provided me with the opportunity of preparing in detail a consolidated attack upon the government, particularly in relation to their agricultural policy—or their lack of agricultural policy.

Mr. Speaker, I have no apology for devoting the major part—in fact all of my remarks—toward the plight of the agricultural industry, because all of us have seen in the papers these last few weeks that the net income of the man who toils on the farm is less now than it has ever been. It is perhaps no more than a coincidence that the time when these figures are true, is the one and same time when there is a Tory government in Ontario, and another one at Ottawa. I am not suggesting at the moment that there is more than mere coincidence to the fact. But it so happens that it is true. If the Tory government here and at Ottawa want to regain a measure of farm support in this province—and in the Dominion as a whole—they will have to revamp, revitalize and rearrange their agricultural policy so that it becomes more in harmony with the needs of the people who live on the farms.

In my argument tonight I want to list a number of factors which, I think, provide the answer to what is the trouble with the agricultural industry. It is true that the people who live on the farms are less by far in numbers than they were 10, 15 or 20 years ago. It is true the economists say that, as the years weld into one another, the

numbers of these people will become even less. But it is nevertheless true, in spite of that assertion, that those who toil the good acres of this province still produce as much, or more of agricultural wealth—and consequently of provincial wealth—than when their numbers were twice as many as they are now. The position of the farmer—though he be less in number than in years gone by—in relation to the provincial economy and the contribution that he makes to provincial revenues, is greater now than it ever was. We want to be sure that, in dealing with the farm problem, we have those important factors in mind. Sometimes I think we are prone to think that because the number of farmers are growing less, therefore his influence in the provincial sphere or in the national sphere, decreases with the decrease in numbers of farmers. That, of course, is quite untrue. With technological advances the farmer is able to produce many times more than he did in the years gone by, so that fewer farmers are making a greater contribution to provincial economy and to provincial revenues.

Bearing that in mind, I want to trace—I do not know how long it will take me to trace it, but however long it takes, I want to employ that time to say to the House that, in my judgment we as provincial legislators, and the government in particular, are missing the main problem of agricultural people—and have failed miserably, I suggest—and I will reiterate that time and again as I go along—have failed miserably to meet, head on, the problems of the industry as such.

I want to start, Mr. Speaker, by reading the report of a meeting held in the Royal York hotel on Saturday, December 9. The heading of that report says: "Predicts Mass Failure of Broiler Producers". Hon. members who live in city ridings may not be immediately aware of what a broiler producer is, but when you go to the restaurants and see a special on the menu "Chicken at a very reasonable price," it is the result of the chaos that presently exists in the broiler industry.

This article is by Eldon Stonehouse and it says:

The president of the Ontario Egg Producers' Association predicted yesterday that 96 per cent of the province's broiler producers would go out of business during the coming year.

Not 10 or 20 per cent, but 96 per cent of the broiler producers would go out of business during the coming year.

Thomas Robson of Leamington, speaking at a members' meeting of the Ontario Federation of Agriculture at the Royal York hotel, warned that this might be the last winter for a majority of the 1,000 broiler producers in this province. He predicted that, within a year, three or four per cent of the operators would be left to carry on.

Further, he warned, the invasion of the egg production field by vertical integrators was likely to bring similar dangers to farmers in this field.

He goes on to explain what he means by vertical integration, and I think, for the information of hon. members of the House who are other than farmers, it might be well if I read this chapter, which says:

Vertical integration refers to farm operations in which a firm or an individual provides livestock, feed and other material and pays the farmer a fee or a percentage of profits for his labour. It can also apply to vegetables and other production.

Mr. Robson, the president of the egg producers, went on to say that, in one case, a hatchery had provided hens, feed, veterinary care and everything but buildings and day-to-day labour. The farmer had cost of the flock and other items charged against his account, but the cheques for eggs went to the hatchery. "Yet," Mr. Robson said, "farmers have been convinced they could pay for their buildings in three years." He added, "That is absolute nonsense." And he further added:

If we get five or six of these operations going, we'll be out of business.

I want to pause there to make one or two observations in regard to the broiler industry, and draw one or two conclusions from the predicament in which these people find themselves. You hear it said—indeed, I think, perhaps some from The Department of Agriculture have said—that what we need in this province are larger operations with greater efficiency. Then the farmer will come out on top. Now surely, Mr. Speaker, in the

broiler industry there were large operations and the greatest possible efficiency. There was a combination that, we sometimes say, leads to successful farming operation; a big operation and efficiency attendant on that operation.

Of course, these two ingredients have meant ruin to the broiler industry. I do not think anyone could argue that the size of the operation, plus the efficiency attached thereto, guarantees success to the agricultural people of this province. It really has very little to do with it.

The other thing I want to draw from reading that pamphlet is this: in one instance the hatchery supplied everything to the farmer, the farmer was simply a servant—a man who was doing labour for an outside large organization—in this instance the hatchery supplied everything. In other instances, the feed companies supply everything to the farmer. Now, this is a tendency that is growing up in our agricultural areas throughout this province.

Gradually—but as surely as we stand in this House tonight—the farmer is being shoved out of his legitimate field of production and into that field comes the sinister hand of the processor—the large operator.

I want hon. members to remember that as I move from this phase of my argument to another one.

That has to do with the canning industry in this province. I remember my hon. friend from Prince Edward county (Mr. Whitney) last year giving hon. members some idea of what is going on in the canning industry.

Not only is it going on in Prince Edward county and adjacent counties, it is going on in the Leamington and the Windsor area.

This is what is happening: for generations farmers in the Leamington, Windsor and Prince Edward county area have contracted with the canneries to supply the raw material for the product that they produce. They supply tomatoes by the ten-acre field and perhaps more. They contracted with the cannery to take those tomatoes and make them into canned tomatoes—put them in cans to serve on the consumer's table. They contracted with the processor for peas and for corn and for other vegetables.

Into this field today is coming what I consider to be a sinister influence. The canner himself is moving into the field of production and is buying the land which once was owned by men who supplied him with raw material. He is buying this farm and that one; after a plan, mind you, not

in a haphazard way at all, but after a well defined pattern.

He is buying these fields from men and women who had tilled them for generations and in the place of those who had provided the product in days gone by the cannery now provides the product on land that they own or rent.

Gradually but surely, and more speedily than any of us, I think, would want, the canneries are moving into the field of production in a well organized plan to eventually take over production as well as processing of vegetable products in this province.

That, of course, is true of the canning industry. It also has been true of the hog industry, as my hon. friend, the former hon. Minister of Agriculture (Mr. Goodfellow), will know.

A few years ago, we had big operators producing hogs by the thousands in buildings sitting on an acre or so of land. Producing more hogs on that acre of land than 25 of my farmers who pay four or five hundred dollars taxes to the township each year. More than they would produce in the aggregate—in this one building sitting on an acre of land and paying very little municipal or other taxes—many more hogs than 25 farmers would produce.

Of course, into that picture come these influences; the packing house company unquestionably has been a factor in this procedure. The canning company, the hatchery, the feed company; all of them have moved into the production field, out of their legitimate field of processing.

I would like to argue with the House—as rationally as I can—that the day has come in this province when we should use whatever power we possess in a legislative capacity to say kindly to these processors, in the first place: “You have a field that you occupied for many years. Go back to that field and stay there.” If that kindly reminder is not sufficient, then the powers of this Legislature should be used in the field of licence or permits or subsidy—or one of the many other ways in which this Legislature could assert its influence—to bring back to the farmer his inherent right to produce products on his own farm in this province.

I want to make this argument, and I want to say before I make it, that I have—

Mr. D. C. MacDonald (York South): How do you equate that—

Mr. Oliver: The hon. member should be quiet. The hon. member has had his say today and that is plenty.

I want to make this argument and to make it as quietly as I can. I have an appreciation, perhaps a keen one, of the job that the processor has done in this province, whether that processor be a meat packer or a canning house owner or a hatchery owner or a feed owner. The milling companies have contributed much to the economy of this province, but when they go out of their field—as they are going out of their field now, and invading the field of production—I suggest to this House that the time has come—indeed it is right here now—for government, if they have the interest of the farmer at heart, to take measures of a drastic character.

This government has no notion of doing that, of course. I want to carry my argument on and say this: I would say to processors that they are occupying their present position on sufferance. They are sitting there using squatters’ rights—if you want to use that term—

Mr. H. M. Allen (Middlesex South): That is the way they do it in Russia.

Mr. Oliver: The hon. member can say that if he likes. I do not think there is any connection with Russia at all. That is a not very intelligent remark from a not very intelligent person.

I want this to be heard: The producers of agricultural products in my judgment—and I think in the judgment of most men here—have the right, and I think that right is inherent in the farming industry, to follow their product if they should choose to, right from the farmer to the consumer’s table.

That right may not be written in the constitution. It may be difficult to find any legal backing for that statement, but surely the man who grows hogs on his farm, who grows tomatoes, who grows other things—surely, if that man, either alone or collectively, wants to follow his products through to the consumer’s table he has an inherent right to do so.

Because of that, Mr. Speaker, I think what I said before follows automatically—that processors as such are there on sufferance. They are there as the service arm of agriculture. They are there, I say again, to render service in a limited field—the field of processing. When they step outside the boundaries of that field, they are going into a field in which they have no right, and in which—if we allow them to proceed—they will ruin the agricultural industry of this province, without giving any benefit to the consumers of the province.

Mr. Speaker, I am glad to hear my farmer friends speaking up for the farmer over in this corner. I am sure they will be glad to know, down in that part of the country.

Mr. MacDonald: We want the hon. member to equate it with his concept of free enterprise, that is all.

Mr. Oliver: I do not care whether the hon. member calls it free enterprise at all. It just happens to be a conviction that I have and he can put any label on it he likes; I do not give two hoots.

I want to speak for a moment on what is known as the family farm. There has been a big argument going on as to whether the family farm is an efficient form of operation. There are those who say that we have got to have a large acreage now, in order to make a living on the farm. I am one of those who believe that a large acreage does not necessarily mean an efficient operation. I do not think it has ever been proven, so far as farmers are concerned, that a very large operation is necessarily an efficient operation. It may be an efficient operation, but not necessarily because of its size.

I think it can be proven by those who care to argue the thing out to its ultimate conclusion that a family farm—mind you, I am not talking necessarily of the 50- or the 100-acre farm; I am talking about that unit of operation, Mr. Speaker, that the family can control, whether it be an adjacent farm or what—I think the family unit farm of 200 and 300 acres in this province, not only is an efficient entity today but will stand the test of time for years and years to come. I deplore any suggestion that the farmers of this province, in order to be prosperous, have got to have a 1,000-acre unit. It has never been proven; never been proven. I think there is more proof on the side of those who say that an operation of 200 or 300 acres of family farm can be a successful operation.

I would like to hear the government say—in fact I would like to hear them say anything about the agricultural industry—but I would like to hear them say, to allay the fears that are in the minds of farm people today, that it is not necessary to go into a huge operation in order to be successful. I discount completely the idea that a large operation is necessary in order to be efficient. This government has never taken the position that this is so. They simply go drifting along with the times hoping that something will happen so that they will not have to take a stand on these particular matters.

Another thing, I think, should be said. We had in Ontario, years ago, the provincial loans for farmers. I think it is unfortunate that those loans were done away with. There are those who say, of course, that the federal

loan takes its place. It really does not take its place.

Anyone who has had anything to do with the federal farm loan will appreciate the fact that the federal government is seized with the concept that a farm operation, to be successful, must be a large operation. I think, in order to destroy what is an illusion in this respect, it is necessary for Ontario once again to come into the picture by making loans to the farmers of this province; and I say there is no reason why this could not be done.

There have not been any great losses in connection with farm loans, and hon. members know that. Quebec is carrying on a magnificent scheme of loaning to farmers, and of course the federal scheme applies down there as it does here. But they do not feel that the federal loan is sufficient to meet the credit requirements of the Quebec farmers; and so the provincial loan in Quebec applies and gives added service to those who want loans on the farms of Quebec.

It is just as true in Ontario as it is in Quebec. There is a great need in this province for a government that is really interested in agriculture to re-establish once more the loaning system, to give loans to agricultural people. I am sure that a Liberal government—and make no mistake about it, it is not very far away—I am sure that a Liberal government will immediately set up loans.

I wanted to say something, Mr. Speaker, about co-operatives, and about the loans that this government makes to co-operatives and to co-operative farm organizations. The kernel of this situation, Mr. Speaker, is very easily defined and is quite discernible to the naked eye. I say quite deliberately that The Department of Agriculture of this government has either failed to appreciate the problems of agriculture or, if they have knowledge of what those problems are, they have moved not at all to do away with them.

I think that is it in a nutshell. I think co-operatives and what they can do, will be a mighty factor in preserving the farm economy.

I often think that the farm policy of this government is wrapped up in a statement made one time by the laird of Lindsay. I remember him saying quite distinctly when the discussion was held in this House respecting FAME—that is, the decision of farmers to erect meat packing plants. Someone asked the then Prime Minister (Mr. Frost) what he thought about it. Do hon. members know what his answer was? I am sure they do. He said, "I think it is the silliest thing I have

ever heard tell of. I think it is the silliest thing I have ever heard tell of."

Well, then, it is no wonder that one cannot get remedial legislation from the government, especially when the Prime Minister has said that when farmers want to help themselves it is the silliest thing he ever heard tell of. I say one cannot expect that; that just permeates the whole government over there, and that is the way they feel about it. When the Prime Minister feels that about it, that is what the government feels.

But I want to say through you tonight, Mr. Speaker, to the hon. members of the House, that I have enough faith in the farmers of this province. If they were given the opportunity, and if they were given the leadership, by this government, they would go out and solve most of the problems themselves; but the trouble has been with this government that they were always coming when they were going, and one never knew when they were coming or going.

We did not know in this House. How can the government expect the ordinary farmer to know whether it was for him or against him? It was on both sides of the question at the one time. The government's lack of leadership was monumental, and it is reflected, I suggest, in the thinking of farm people today who have not had the benefit of leadership that they have a right to expect from government.

Through the medium of co-operatives, and I have complete confidence—

Mr. J. F. Edwards (Perth): Mr. Speaker, on a question of privilege. The hon. member, the former leader of the Opposition (Mr. Oliver), now sitting on the side benches the same as I am, says he represents all the farmers—from what he says. Well, records do not prove that. He fought the hog producers, he fought everything else—collective agreements and everything else—for the farmers in my riding.

Mr. J. J. Wintermeyer (Leader of the Opposition): Well, Mr. Speaker, I do not know what the point of privilege is but—

Mr. Oliver: I always like to give an intelligent answer to an intelligent question, but when I fail to recognize intelligence in the question it is beyond me. I just cannot give an intelligent answer to it.

I was going to say, Mr. Speaker, when I was so rudely interrupted by a man who is usually my bosom friend—you know, when

we talk quietly he is on my side. I do not know what happened to him. Really.

I want to nail this point home, Mr. Speaker, that the farmers have not used co-operative marketing and all it means to its fullest possibility. And I believe that the government is doing less than it should if it does not give the farmer every opportunity to work out his own problem through the use of co-operative enterprise. Co-operatives, I think, are the answer to many of the farm problems and they have not been given the support by this government that I think they were entitled to.

There is only one other point that I want to mention and that has to do with price spreads. There is quite a spread between what the farmer gets for his product and what the consumer pays. Farmers look at the labour man these days and they think: now he gets a raise, and he is striking for more money all the time, and we are getting less for our product. It is not a situation that makes for harmony between the two groups. But I want to say, and I want to hurry to say, that I have never been one to deny labour the best price they can get for the product that they have to sell—their own labour of their own hands.

I think the job of farmers is not to criticize labour for what they have done or what they are doing, but rather it is to take a page out of labour's book and go out and do for themselves what labour has done for their members in their organization.

There is the tendency to look at this point and say: the farmer gets a few cents for his potatoes, and they cost a dollar when they get to the market. I think that is something worth looking into, because the spread between what the farmer gets and what the consumer pays is growing wider all the time. That just should not be.

There are those, of course, who say the way in which it is presented to the consumer, the wrappings that are put on it, these are what make the cost; but I think there is room for a searching examination into the spread that exists between what the farmer is paid and the consumer pays for the very same product.

There was a time in the House when the old Minister of Agriculture, Mr. Kennedy, used to hold up a cabbage and say: I get so much for this cabbage and the consumer pays so much more; there is something wrong. Of course for 18 years the Tories have known there was something wrong with this spread but they did nothing about it. I think there is an opportunity, and one which would reflect good on the whole question, to really assess

the picture with respect to the spread between the product of the farm and what the consumer pays for that same product.

Mr. Speaker, I believe that the government has been lackadaisical—that is a pretty mild word to use—in their approach to farm problems. I think they have spoken out of both sides of their mouth at the same time. I think they have said yes and no when they were not sure which one they should use. I think they have failed to meet big problems because there were big interests involved.

I say to this House tonight that the time has passed for pussyfooting in respect to the farm problems. We have got to the place in our economic life when, if the farmer is going to be saved in order that he might make his full contribution, then government must give leadership. There must be an appraisal of the problems of the farmer, there must be an appreciation of those problems, and there must be a determination to meet them head on.

I would not want to be, nor would I long remain a member of any government that failed to recognize these things that I have enunciated as grave and fundamental problems affecting the agricultural industry. I would not want to be, nor would I long be, a member of any government which did not move with dispatch and use all the sinews at their command to remedy this situation. This government has not done that and because they have not done it they are going to find themselves on the short end of the stick. They have had warnings enough through the years, they have not heeded the warning; and because they have not heeded the warning they will have to pay the costs involved.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, may I add my faint words of praise and adulation to the great paean that has already flowed towards your throne since this session began. I need not gild the lily, sir, by repeating my gratitude for the many kindnesses you have shown me, for the very capable and fair-minded way you have accomplished or tried to do your job, by the dignity and grace with which you have occupied this honoured seat. With my colleagues, I say you have had a difficult task from time to time; but no doubt you will have difficult tasks yet in the days that are to come, since I feel you are going to sit there for some time yet—as we are going to sit here. But to you, sir, I know that these little problems are but challenges which spur you on to even higher endeavours.

It has been, Mr. Speaker, I was going to say my good fortune and really I do mean that and yet ironically enough or in an Irish sort of a way it has been my misfortune, to follow the hon. member for Grey South (Mr. Oliver) on previous occasions in this House. I say my misfortune because his oratory is such that the one following him is rather set in the shade.

It is very interesting to listen to him, sir, although I must admit there are times when even I feel he becomes loquaciously garrulous or garrulously loquacious—put it whichever way you will—and yet tonight, sir, I was particularly impressed by the very gloomy picture he painted about farm conditions and the conditions of the farmers in our province. I do not mean to suggest by that that we are entirely pleased about the situation of the farmers. We are not. Many of us, indeed nobody can be completely—Let the farmer from York South (Mr. MacDonald) just keep quiet for a while now and listen—

Mr. MacDonald: Mr. Speaker, I was not even speaking! I rise on a question of privilege.

The hon. Minister has really caught himself out. He just automatically brow-beats me for everything, when I was sitting here completely silent. It was from elsewhere. Mr. Speaker, the hon. Minister was revealed in his miscorrect fire once again. I won't disappoint him from this point on.

Hon. Mr. Dymond: I thought I caught an accent that sounded very familiar to me, but I have to say, sir—and I hope my hon. friend will forgive me—I have to ask our hon. friend from Grey South (Mr. Oliver) if the hog-farmer he was talking about, who had the huge piggery on an acre of land, is situated in York South. But having listened to this gloomy picture, Mr. Speaker, we have to point out that there is another side to the farm picture; and, strangely enough, there came to my hand these figures from the Dominion Bureau of Statistics and surely they are unimpeachable:

The cash incomes of Ontario farms, as calculated by the Dominion Bureau of Statistics, have risen from \$442,625,000 in 1945 to \$877,069,000 in 1960.

Mr. MacDonald: What about the rise in costs?

Mr. P. Manley (Stormont): Gross! Gross! Give us the net.

Hon. Mr. Dymond: Just wait. Do not become impatient. 1961 will be still higher.

While costs of goods and services have risen in this period substantially the Ontario farms' net income, as calculated by the Dominion Bureau of Statistics, has also risen over \$100 million in this same period. In 1945, Ontario was just about even with the next high province—which incidentally, and strangely enough, was Saskatchewan—in cash farm income. In 1960, or in the average of the last three years, Ontario farm cash sales have soared to over \$300 million more than that of the closest province.

Mr. Speaker, having read that, I have to be in complete disagreement with the hon. member for Grey South (Mr. Oliver) when he says that this government is the cause of the problems of the farmers. I say it is because of the work of this government, because of the forward-looking programmes of this government in the interest of the farmers of this province, that the situation is as good as it is today. This government—and mark you, Mr. Speaker, these years are between 1945 and 1960, just two years after this government came into power—this government has given the farmer of Ontario every opportunity and every support to help him run his business in a businesslike manner.

Mr. MacDonald: Nonsense! What about the former hon. Prime Minister's attitude towards FAME?

Hon. Mr. Dymond: I believe in letting every man speak for himself and when the day comes when the hon. member for Victoria (Mr. Frost) cannot speak for himself, he will not need the member for Ontario to speak for him.

I want to say to you, Mr. Speaker, that it is a foregone conclusion that no government in Canada—nor here in Ontario—no government in Canada has done more to help the farmers to improve production, to improve farm management, to improve his methods and to improve marketing.

Mr. Speaker, I did not stand up here to talk about farming, because I would be most presumptuous indeed to try to argue on agricultural questions with the hon. member for Grey South (Mr. Oliver). But I do want to talk to the House for a short time this evening, sir, on a matter that is of very great interest to many people in this province. Indeed, it is a matter of great interest to many people in every country of the world today. It is a subject which occupies a great deal of my time personally in my departmental responsibilities and is responsible for the spending of more than half my annual budget. It occupies over 10,000 of

the nearly 12,000 employees in The Department of Health. I would take it that the hon. members will understand that I want to talk about mental health and mental diseases.

About three years ago, sir, it was my privilege and honour to propose to this House and to the people of the province of Ontario an entirely new concept, a new philosophy, in the care and treatment of the mentally disordered. One of the things I pointed out would be very much necessary at that time to bring this to the attention of the public was an educational programme. We set about that as one of the first steps in the programme, sir. The material to do so was immediately at hand and it was one of the things that could be immediately undertaken, where other things had to wait for preparation, or accommodation facilities, staff, et cetera.

This programme has become increasingly effective. We have been able to make rather notable strides, and yet very much remains to be done. More attention than ever, I think I can say, is being paid to mental health, not only by the professional people and the social sciences involved in the care and treatment of the mentally disordered, but by every facet of society.

Some of the things I shall say tonight I have no doubt I have said in this House and no doubt I have said them many times outside of this House. But they will bear repeating because I find it is only by constant repetition that we are able to sell our story, as it were, to the people whom we want to hear it and to bring into clearer focus than ever before the problems and the challenges attendant upon this matter of mental health.

It bears repeating also because it is very difficult to wipe out overnight the superstitions, the notions and the misinformation of generations. The things that people have believed, the strange and peculiar ideas that they have held and to which they have held very tenaciously, not over generations but indeed over centuries, are very difficult to eradicate. I think, sir, it is worthwhile to review some of the salient features of this problem, this problem which I have called on many occasions the number one health problem of our province. Indeed it is the number one health problem of our whole nation and indeed of many nations in this world today.

We often hear of cancer and heart disease spoken of as the number one killing disease and this may be quite true. But there is a

very vast difference between being the number one killer and the number one health problem. Perhaps this is one of the reasons why mental disorder has not been brought into clearer focus than it has, because it is not a disease that kills; it is a disease that cripples, but it does not kill. Indeed, many of our patients live out long, long lives.

Mental disorder can be considered the number one health problem on many bases, but there are three factors in particular which I should like once again to draw to the attention of this House.

First of all, there is the vast enormity of the problem. I say to hon. members that almost half of the hospital beds occupied in this province of Ontario are occupied by people suffering from mental disorders. From that I am sure every hon. member will catch some idea why this should be looked upon as the number one health problem of our province. Not only so, sir, but we know by statistical experience that one out of 10 of us can expect that at some time in a normal life span to suffer from some type of mental breakdown or other; perhaps to the extent where we may need hospitalization, at least to the extent where we shall need professional care and attention.

I remind the hon. members that three out of every 100 babies born in this province are born mentally retarded in some degree or another. That 1.5 out of each 1,000 babies, that is 1.5 out of each 1,000 babies, will need hospitalization, probably for life. Again, this will help give hon. members some idea of the vast enormity of the problem.

Even worse than that, this health problem, mental disorder, accounts for at least two-thirds of all the chronically disabled people in our province.

Then one may look at it from the cold standpoint of economics. In The Department of Health, more than half of the annual budget is spent on the maintenance of the patients in our hospitals and our hospital schools. About \$20 million a year at the present time is being spent on capital construction, providing new accommodation, new equipment, replacing obsolete accommodation and obsolete equipment.

Then there is a factor that is even more important, sir, and one which I think many of us lose sight of as we look at the problem, even after we have become keenly interested in it and deeply involved in it. That is the personal factor. I think a great many of us fail to look upon this as something that can hit us. We say: "Oh, yes, somebody in the

next street" or "Somebody on the next concession" or "Someone with whom we came in contact has experienced it, but it cannot happen to us". I think one of the surest ways to bring this problem into clear focus for all of society is for everyone of us to realize that this can hit any one of us, that it has no respect for persons any more than any other disease, that it cuts across every stratum, be it social, cultural or economic. I think that when we have realized that, this matter will be brought into clearer focus than ever before.

Now the care and treatment of the mentally disordered has long been the responsibility of government, not only here but in many lands. How this came about it is almost impossible to ascertain. One can only conclude that many people in many lands looked to their government to undertake and look after this very pressing problem. An essentially bleak and hopeless picture has from time to time been shot through with occasional shafts of light; shafts of light, however, which while they brighten the horizon for a little while, never seem to last very long, for then the whole problem lapses back into the bleak and hopeless situation from which it came. One might with profit reflect upon the reasons for this, but actually such reflection would yield little of value at this time.

We hear in this province of ours, particularly over recent times—and actually while it may sound critical it is a sign of hopefulness—we hear a great deal of talk about the lack of a programme. But one is bound to ask whether this lack is real or only apparent. As one looks at the history of general medicine, one is bound to recognize that the lack of progress is more apparent than real.

After all, when we think of anesthesia, it is only a little over 100 years ago since the first anesthetic agent was discovered, and anesthesia is only today coming into its right as anything approaching an exact science.

When one thinks of modern surgery, one has only to go back to the early years of this century to find that very little surgery was done, at least successfully, prior to that time. Indeed the common operation, which many of look on as common, the appendectomy, was not really very popular at all until one of the kings of Great Britain had to have his appendix out.

The wonder drugs, the magic pellets about which we read today and in which so many of us have come to place such great faith, are

only developments of the last 25 years. Tuberculosis, for instance, a scourge of the first quarter of this century—at least a scourge which came into sharp focus in our country and in our province in the first quarter of this century—was the causal organism isolated only in 1882; and the only effective medical treatment of tuberculosis was found and put into general use in the year 1948.

Diphtheria, typhoid, poliomyelitis, all of these have been brought under control within this century and only after intensive and extensive research. The same can be said of diabetes, for which this city and the medical and university people in this city, did so much; this work only dates back to the early 1920's. The same, too, can be said of pernicious anemia.

One may wonder, Mr. Speaker, why research in these cases was so vigorously undertaken and has lagged on mental disorder. Perhaps it was the reason I have already mentioned, because these were killer diseases and mental illness or mental retardation *per se* is not a killing disease. It has been said that because one president of a great nation was stricken with polio and another was stricken with heart disease, research into these was greatly stimulated. Yet history records many instances where the heads of state, leaders in almost every field of human endeavour or their families or those closely related with them, have either been stricken or associated with those stricken with mental disorders, so that this theory would not apply.

All this aside, the hopeful fact is that research is now being undertaken in increasing measure. Out of it all is coming useful knowledge and the hope for new and more effective methods of treatment.

It should be noted here, I think, that the first real breakthrough in this problem came about only within the past ten years and this has in large degree made possible many of the changes now evident in the hospitals and other institutions where the mentally disordered are cared for. This in large part has made possible the conversion of these institutions to their true purpose and function, namely, hospitals in the best sense and highest tradition.

Mr. Speaker, it would be misleading to leave the impression that this conversion has been complete. It has not and it cannot be until there has been brought about a greater appreciation by society of its responsibility to the patients in our institutions. Many of them have been in hospital so long that they have become, to all intents and purposes, lost to society.

There are over 7,000 patients in the Ontario hospitals today who have, to the best of our knowledge, no relatives, no family, no home, no one to take any interest in them except the government of Ontario and those people who now come to visit our hospitals, public-spirited folk interested in the welfare of these people, come to bring a little comfort and pleasure into their lives. I have frequently referred to these as orphans, and indeed many of them are just that, except that we rarely think of adults as being orphaned. Yet many of our patients have no family, relatives or friends; others have been forgotten, and in many cases even the original home community appears to have forgotten they once belonged.

A very brief review of what has been accomplished in the less than three years past will show that much has been done, that an ambitious, progressive programme is actively underway, and in planning for the future the problem assumes ever greater importance.

Completed since 1958 have been new units at four of our hospitals: Penetanguishene, 150 beds; Whitby, 74 beds; Hamilton, 600 beds; Cedar Springs Hospital School, 1,200 beds.

The government acquired by purchase the Byron Sanatorium and this is being used as the children's psychiatric research institute. It is very interesting to note that only a very short time ago this institution, which has only been operating for a little over one year, was given the bronze award by the American Psychiatric Association for outstanding work in its field. I am getting reprints of the notice of the award and will have one placed on each member's desk tomorrow, Mr. Speaker. It is very interesting to note that this institution has been recognized in this way.

In addition to the Byron Sanatorium, of course, the government also acquired by purchase the Gravenhurst Sanatorium, the first institution of its kind in Ontario where tubercular patients were treated, but which because of the breakthrough in the care and treatment of tubercular patients outlived its usefulness.

Being built at the present time, and which we hope will come into operation within the next year, are two small hospitals of 300 beds each; one at Goderich and one at Owen Sound. These two new hospitals, Mr. Speaker, are a drastic and progressive forward step towards providing regional services in the modern concept.

These hospitals, as I stated, will be of 300 beds each. The active treatment part of each will consist of 100 beds and will be capable of looking after the mentally ill people in the area served. The remaining two-thirds of the hospital will be used to house chronically ill patients, those I mentioned earlier who are to all intents and purposes orphaned.

Also coming into service in 1962 will be the clinical services building at the Ontario Hospital in Port Arthur providing a further 300 beds.

The rebuilding of the first unit at the Ontario Hospital School in Orillia is now underway, and will also provide a further 300 beds. This, of course, is the first stage of the rebuilding of the old part of the hospital school at Orillia.

Tenders have been called and the contract is expected to be let in a very short time for a new nurses' residence and training school at the Ontario Hospital in Whitby.

The Palmerston School will be called for tenders in a very short time. The rebuilding of the Ontario Hospital at London is in the hands of the architects now, and the rebuilding of the old part of the Ontario Hospital at 999 Queen Street West in Toronto is also in the hands of the architects at the present time.

The province just a little less than a year ago, about eight months ago, Mr. Speaker, sponsored a completely new psychiatric service in the city of Ottawa. The Royal Ottawa Sanatorium was in the same position as many similar institutions in the province; having done such a good job of the treatment of tubercular patients they found themselves with many available beds. Ottawa needed a psychiatric service and we made arrangements with the board of the Royal Ottawa Sanatorium and as a result of our negotiations with them they became very deeply interested in psychiatric patients. They have already opened and had in operation for some months an out-patient and day-care centre and within a very few more months, as soon as the alterations to the building have been completed, they will be able to establish a short-term in-patient care centre, too. This is an entirely new departure for our province, the operation of such a hospital by a private board. It is an experiment being closely watched by a very great many in this field.

Carrying on our programme of giving recognition or approval to psychiatric units in general hospitals, such units have been opened within the last three years at Ottawa

Civic Hospital, Kingston General Hospital, Hamilton General Hospital, Peterborough Civic Hospital and St. Joseph's Hospital in Toronto. Approval has been given for further units at Windsor, Sarnia, North York, Sault Ste. Marie and St. Joseph's Hospital in London.

Three years ago we stated that, in our opinion, the best and most satisfactory psychiatric service should begin at the community level. In keeping with this philosophy we established, with all speed, out-patient services at every Ontario Hospital where it was possible. In the past three years we have been able to start such services in North Bay, Whitby, New Toronto, Toronto, Windsor, Port Arthur, Sarnia and in Woodstock. We have also opened three new day-care centres at the Ontario Hospital, Brockville, New Toronto and also in Woodstock.

Further in keeping with modern philosophy—and considering the mentally ill patient as a sick person in need of care—we have sought to establish units where patients who are acutely ill may be admitted informally. The first of those units has been opened at the Ontario Hospital, New Toronto and is already proving its worth.

Such a programme calls for an increase in staff, particularly in the nursing field, and we have found through experience that the nurses best equipped to look after our patients are the nurses trained in our own schools. Three years ago we had three training schools for nursing operating in the Ontario hospitals—one at Whitby, one at Kingston and one at Brockville. The average graduating class of the three schools totalled about 20. We revitalized the entire undergraduate nurse training curriculum. We cut the course of training from three years to two years; we encouraged recruitment by various methods with the result that the enrolment has increased 200 per cent, and for the September class of this present year we had to turn applicants away.

There have been other rather interesting developments which have brought more attention to bear upon the plight of the mentally ill. One of the great problems in the minds of many patients—many patients' families as well—as one of the great problems facing the professions involved in the treatment of the mentally ill, is the cumbersome machinery necessary for the commission of a patient to hospital.

We have been able in the last three years to amend The Mental Hospitals Act, to reduce the red tape involved in admission procedures. This has accompanied the growing practice

of allowing patients more freedom and responsibility. The new Children's Mental Hospitals Act governing the Thistletown Hospital and the Children's Psychiatric Research Institute at London, provides for the admission of children under the age of 16, on application of the parent or guardian. The Community Psychiatric Hospitals Act, passed in 1960, governs the establishment of the type of small hospital which, it is hoped, will eventually provide care for persons in all sections of the province.

I spoke about the award given to the Psychiatric Institute at London, an award of which the department is very proud, mainly perhaps because it is evidence that Ontario is not lagging in its efforts to move forward in the care and treatment of the mentally disordered.

The treatment of the mentally disordered patient differs so much from the treatment of the physically ill patient that it becomes very difficult for many of us to appreciate what is involved. Indeed, many people after visiting our hospitals express surprise at the scope and variety of the programmes. In the time available this evening, I can only touch very sketchily upon some of the highlights, but I would assure you, that every patient capable of becoming interested in any activity that may be helpful to him in the outside world is given all assistance we can provide.

Occupational therapy is carried out in some form in all hospitals, although we are handicapped by the extreme shortage of occupational therapists, which is widespread and does not affect our service only. Under this heading we may include occupational therapy proper—that is, the use of occupational therapy specifically as a diagnostic and remedial measure. The limitation of staff, of course, particularly limits this use of occupational therapy. This type of therapy includes music, art, drama—either in a diversional form or as training in hobbies—and training in special activities such as typing. The occupational therapy department may also be responsible for such things as recreation and domestic training.

While recreation is largely diversional, it may contain a considerable therapeutic element, dependent on the competence of the staff who conduct it. It includes sports, swimming classes, physical training, and special events such as camping out, bus trips, and so on, and is carried out to various degrees in various hospitals.

As for industrial activity: A good many patients are employed on various aspects of

hospital maintenance, assisting in the laundry, on the farm, in the maintenance shops, and there is an increasing emphasis on transferring patients from one type of job to another as they show increasing ability to handle more complex types of work.

Industrial projects: A number of projects have been undertaken in various hospitals, which involve the manufacture of articles for hospital use or, to a lesser degree, for sale, which are actually in fulfilment of contracts with outside industries—for example, the making of tags, labels, and so on, which can be seen going on at our Queen Street, Toronto Hospital.

Informal training of an apprenticeship type is provided in some of the industrial activities noted above. More formal training, where the emphasis is on the training rather than on the activity, has been developed in various fields.

For example, at our hospital in Kingston, there is a specific course for practical nurse training, and for training of patients in kitchen work. Some hospitals combine a certain amount of training with the reorientation of patients—for example, giving lessons in cooking, and so on, to female patients.

A number of programmes include training in personal care ranging all the way from simple habit training to the sophisticated grooming course which has gained great popularity in the Toronto Hospital, and has been the subject of newspaper and magazine articles in recent months.

I may say, Mr. Speaker, that each spring a fashion show is conducted at that hospital and I think that any hon. members, particularly the hon. members from Toronto, might gain a great deal of interest and insight into what is going on if they went to this fashion show. It is conducted almost exclusively by patients under the direction of the staff members. It is a most fascinating experience to see how those patients have taken a completely new interest in life.

It was my privilege to see some whom I had seen in years previously when they were still quite ill. After a year of treatment and training and reorientation, it was a fascinating experience indeed, to see the difference in their appearance, to talk to them and learn the difference in their outlook on life, wearing and modelling the clothes and hats that they themselves had made. While I certainly am no judge of that sort of thing, I can assure you that I do not know how any professional model could have done

much better. It is very interesting to know, too, that classes are directed by professional models who have undertaken this project as a service to the community and spend many, many hours every week with our patients, helping them to get a new lease on life.

There are several special projects conducted in all our hospitals, such as hobby fairs and open-house displays, and all of these involve a great deal of effort by both patients and staff. But the full emphasis is on encouraging patients to take responsibility for doing, not watching. This is where the new programme and the new idea differs from the old. At one time we showed the patients what to do and how to do it, but somehow or other never got around to seeing if the patients could do it themselves.

It is very interesting to see that the patients can teach us many things now, as I am sure they could have done in those days. Some of the patients prepare and type their news bulletins at regular periods. These are written, typed and edited in a very large measure by the patients themselves.

All our hospitals have regular religious services, and in several the music is provided by a patients' choir. I need not remind the hon. members of the famous choir which we now have at the Hospital School in Orillia, which has been invited to visit many locations. Indeed it has sung several times on radio, has appeared once or twice on a trans-Canada television hook-up and has cut several records.

Volunteer activities, of course, have become a very, very important weapon in our treatment in Ontario. Volunteers participate and sometimes conduct many aspects of the programme cited above. In many of our hospitals this is a well-organized and important phase of treatment. Almost every patient benefits from the activities of volunteer groups every week. These activities may run all the way from classes in dressmaking and millinery to walks in the hospital grounds, visits to the nearest town, or visits to the homes of the volunteers where they partake of tea, dinner or other meals.

It is interesting to note, too, that many of our volunteers visiting our hospitals have become so attached to many of the patients that they will, on occasion, invite some of their favourite patients for the weekend in their own homes. This helps a very great deal in getting the patient accustomed to the idea of living once again outside the hospital environment.

In our Ontario hospital schools the treatment of the mentally retarded consists largely

of education and training. Perhaps the hon. members will get some better idea of the programme if I sketch out what is being done at one of our schools, the oldest of the three, Orillia.

The philosophy of education here is that it is the preparation for a useful, purposeful and happy life in accordance with the child's ability. Basically, it is not a matter of increasing capacity—as most people like to believe—but a matter of developing the child's attributes to their limit. Our programme is not intellectualization, but socialization.

Administratively, the school is organized into a number of departments centring their attention on the individual's emotional and physical needs, in an attempt to make the programme of treatment, care and training an effective one. Utilizing procedures of study, periodic evaluation and programme planning, the school endeavours to promote, whenever possible, the individual's ability to meet the problems of everyday life through improving social adjustments, broadening interests and skills, stabilizing emotions, learning useful tasks and understanding self. The institution is a community striving to provide for each individual a happy home, opportunities for training, health of mind and body and rehabilitation for those with capacity and social adequacy for community life outside.

The training programme is divided into three major divisions: pre-school, academic, occupational and trade training. The pre-school is simple, just like that attempted by any pre-school child, and involves teaching the child to walk and to talk, to control elimination, teaching the child to feed himself, to dress himself and to play with others, which is a very important fact.

The academic training is divided into two subheadings, academic lower and academic upper. These departments are staffed by 13 teachers conducting a formalized programme. The lower academic school is composed of young children with capacity for kindergarten training and ultimate self-care or reabsorption into their own homes. When I speak of young children I speak rather in the mental sense than in the chronological sense, since some of them are quite well advanced chronologically for kindergarten training.

In the lower academic area we start to develop sense training, such as taste, sound, smell, colour, form. It seems that you do not have to teach the normal child formally as a rule; yet this is a very tedious undertaking for our children. One of the great problems in many of our children is teaching

them to co-ordinate their muscles. In the kindergarten we teach them stringing beads, cutting, sewing and weaving on cards, pasting, colouring, cutting out paper dolls and so on. Then, as they come to the close of the kindergarten training, we try to teach knitting and such simple occupational tasks as that.

At the end of kindergarten training, and at the upper level of the lower academic scale, we try to train the child in the language. Physical training for this group is, of course, simple but it is a very important phase since we are steadily learning that physical training seems to do rather wonderful things for these children. It largely consists in this age group of training through the use of musical games.

In the upper academic level we try to incorporate all the higher grade children of school age. The course is composed of simple arithmetic, addition, subtraction, multiplication and division—the most simple exercises in those two—how to read a ruler and how to consider fractions related thereto, weights and measures—the common simple weights and measures with which they will come in contact during their lifetime. We try to teach them how to tell time and how to make simple change. All these phases must be taught in an objective fashion and in a play attitude. The success of this course is greatly dependent upon the teacher's ingenuity and attitude of perseverance.

The teaching of reading and literature is attempted but, as you may understand, is not carried to a very high level at all. The majority of the group, however, can develop a certain facility for reading and some even progress to the point where they may read for enjoyment. This is the only aim of the course.

To teach the child to write legibly and to develop a form for letter writing and a measure of self-expression through the written word, a good deal of emphasis is placed upon the teaching of writing and very simple compositions, as is also the teaching of spelling.

We try to teach the child something about geography and history and civics. Geography is a very broad term for the type of teaching, as is also history, although we try to give the child some idea of his relationship to the world as a whole and the influence of climate for instance upon the products and the people of other lands.

In the case of history certain salient phases of Canadian history and historical figures are taught through the use of story and film.

In the matter of civics we start with the structural management idea of the institution itself and develop the concept as related to the town, the township, the county and so on.

Music has come to play a very large part in the training and education of children in our hospital schools. While no individual lessons are available—this is often asked for, but in a school with 2,700 people you can understand how difficult this will be—group singing and rhythm bands are used very extensively. An excellent dancing class is conducted twice weekly for the academic upper group. The school is closed in the early summer with a commencement party in the form of a dance; whatever entertainment is provided is put on by the students themselves. In this way the social amenities can be effectively developed, and this is one of the shining improvements of the last few years in our programme.

As our child passes through education to the point where manual training may be worthwhile, we have a reasonably well-equipped manual training room where boys are taught the use and care of tools. They are taught first of all to undertake simple projects such as making simple toys, bird houses, and things of that sort, for the institution itself. Each year we held a hobby fair at the school, where much of the year's progress is on display and children compete with their fellow students for prizes. In addition to this we have now encouraged the students to compete in the local annual hobby show in Orillia, which is promoted by the Y.M.C.A. This organization has been extremely helpful to us in more ways than one, and extremely co-operative in helping us insofar as making available any special facilities they may have, which are not available at the hospital.

For the girls we have domestic science classes and each afternoon a class of ten girls attend cooking classes conducted by our dietitian. The cookbooks used are prepared at the hospital school, and at the completion of the training period the book which the girl has used becomes her property. It is remarkable how hard they work and how thoroughly they seem to study in the hope of winning this prize.

As well as cooking we try to teach the girls sewing; the girls of the class comparable to the boys attending manual training, attend sewing classes. This is completely handwork to begin with. They are taught how to make or perform the different types of stitches, and

then as they progress, of course, they are taught the use of, first of all, the treadle machine, and then they go on to power machines.

Not only for its recreational value, but also for its educational value, and for the value of muscle co-ordination, puppetry has become a very important subject in our therapy programme. This pleasing, creative activity is used with a variety of satisfactory results that come as by-products of what started as an entertainment. Originally "fist" puppets were made by the children in their classes; but now, with a small puppet stage, shy children can, in a play fashion, be encouraged to express themselves with a measure of confidence.

Children with speech problems are encouraged to take part. A tape recording is made and played back to the group. It is not unusual now for a handicapped child to ask for an opportunity to say his part again. It is what we call the positive rather than the negative approach. It enables the forgotten child to find a place in the social sum of things. Such activities, of course, tie in with the Christmas entertainments which have been traditional for years.

The academic programme cares for only 377 children at present. The curriculum carries to about the equivalent of Grade V at its upper limit. We find that it is quite impossible to educate any of our children beyond this stage.

The class personnel participating are arranged in groups according to chronological age, physical handicap, degree of mobility, and physical size. These groups rotate from classroom to classroom on a forty-five minute class period. This makes for better behaviour and increased interest, in light of the retarded child's short attention span. The teaching day is from 9.00 in the morning to 11.45, and 1.00 in the afternoon till 4.00, five days each week.

At the conclusion of the academic school, some children are carried part-time in school, part-time in some occupation or trade. This is referred to as the junior vocational or industrial group. It provides incentive for a student to pursue some of his academic studies further, while giving a sense of confidence towards self-sufficiency and the hope of employment outside the institution. The entire academic programme is co-educational. At the completion of this phase, and the entry into trade training, the sexes separate, boys and girls following different training pursuits.

Present-day unitized operations in industry

are naturals for the trained socialized defective. He never tires of a routine job, his vocation is his avocation. This is proven by many of our successful graduates in industrial placements.

The occupational and trade facilities available to the male students include the bake-shop, where we bake approximately 1,000 loaves a day. The boys are taught procedural operation of modern equipment. They are taught cleanliness and something of the industrial setting of production work. Many of our graduates in this are self-sufficient and are placed with commercial firms after this training.

The barber-shop does not aim to prepare boys for such gainful employment, although several have been able to pursue this. Mainly boys going into rural farm placement have won a measure of respect and additional income from the training. Moreover, it has often helped the boy over a lonely adjustment period in the country through the feeling that he is appreciated because of his skill.

We teach some of the building trades: carpentry, painting, plastering. Engineering trades: boiler room, plumbing, electrician. In the farm department: vegetable gardening, landscaping, dairy farming, the horse barn, the teamster—although those are dying trades now—and the poultry department.

Mattress-making and upholstery has been taught to several boys and quite a number of them have found gainful employment at, for instance, General Motors in Oshawa.

The shoe industry is used for the training of twelve to twenty boys, and they benefit from production-line training and something about factory relationship.

This department manufactures between five and eight hundred pairs of shoes every month when in production. These shoes are used only by other provincial institutions in Ontario.

Then we teach some boys the butcher business.

Some are taught to be office messengers. All training in the occupational department for the boys is operated on a rotation basis—six to eight months in each placement and then returning for specialization in the department most suited to the individual's attributes. In this way, interest and aptitude are given a chance to flourish.

When socially mature, placement is procured outside for the boy and he is followed in this placement and encouraged to look to his placement officer for help and support if the going gets a little bit rough. If the

boy finds it just a little too much for him he is welcomed back to the hospital school for a sort of holiday, in order that he may be able to go back to his job once more.

For girls we teach hairdressing, kitchen work, maid service, mending room, sewing room and power equipment, and the dining room. Many of these girls have been placed in very good occupations, and indeed we could place a great many more if we had those capable of undertaking the duties.

As in the case of the boys, all of the above are handled on a rotation basis, with domestic employment as the outlet.

Mr. Speaker, there are 2,700 patients in hospital today, of whom only about 800 are capable of any sort of education and training; 883 cannot be trained in any way but have to have their simplest needs attended to, while the remaining 1,000 may be capable of training for partial self care only.

In addition to all this, a very full recreation programme is followed, including music, art, concerts, plays, all kinds of sports, physical training, Scouting, Cubbing, Guiding and Brownies. Indeed, it may well be summed up by saying that the staff tries every possible activity and every possible method of training to help develop our children to their fullest capacity, and to try to make and keep them as happy and well adjusted as possible.

A much greater emphasis is being placed upon the rehabilitation of the mentally disordered. Little has been attempted in this field heretofore; and because of many difficulties, we have developed our own division of rehabilitation.

In the case of our patients, much more is necessary as a rule to help them reinstate into normal society. Not only must they be prepared to go out into the community, they need help to re-establish themselves and they also need some continuing support till we feel sure they can carry on alone. To that end, we try to place those capable in jobs, and also help them over any social hurdle during this transition stage from hospital to home. This is proving to be a very worthwhile service indeed, one that promises to be of increasing value to those patients where treatment has been successful. We look for wide extension of this service.

Mr. Speaker, a very great deal may yet be said of the activities of the division of mental health, but I would rather urge, sir, that you and every hon. member and everyone with whom he comes in contact should visit the Ontario hospital and see what is

being done. Do not read about it; go and see. I believe everyone will find it a rewarding experience; and from such visits I know hon. members will gain some insight into the many complex problems which challenge us daily, as we try to tackle Ontario's number one health problem.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, as a lesson to the hon. Minister of Health (Mr. Dymond), a man whom I much admire—and I like to think, sir, and I hope that he would not be too insulted by my saying it, a man in which, I think, in many ways I am like—I cannot help but say how great a change has come over the complexion of our society and the ways in which we deal with those afflicted with mental disorders and, for that matter, economic catastrophe; in a nutshell, those who are less fortunate than the great majority in our society.

It is not true to say that what the political scientists used to call pluralism has virtually disappeared from our society. Let me give you an illustration.

It was about ten years ago that the problem of the retarded really descended upon society, and society became alive to the needs of those who had been endowed by merciful providence with less intelligence or less brain power than the norm. Ten years later, and I do not condemn and I do not criticize the fact, the people concerned with helping those out have turned to government. As in most other areas of human welfare, government is looked to as the source of funds, the source of instruction, the source of help.

Now, being a Liberal, I must and I do believe—and I believe fervently—that as our wealth increases in this country and it increases every year, that the real income, or the greater proportion of that wealth, must go to those who create it; that is to say the great mass of working people of this country. If it be the political philosophy of the moment, as it appears to be, that the method of distribution of that wealth to equate the distribution is through government, I cannot help but think with some regret that from the measure the government is asked to interfere or is asked to assist, it must be at the expense of the loss of political freedom.

That is why, when I see private groups continuing to undertake measures of social amelioration, that I, like all other hon. members of this House, sir, accord them the greatest hope for their success because I am sure that we like to see private groups, apart from government, continue to participate,

continue to be the authors of measures of bringing help to the needy. Maybe someday a couple of centuries hence when the state has become so powerful and monolithic an organization that the pendulum will begin to swing backwards, perhaps some future generation yet unborn will throw off the shackles of the state.

Those who have preceded me in this debate have beautifully and fulsomely and gladly extended to you their congratulations that providence has spared you for another year to preside in great wisdom over our deliberations. I gladly extend on behalf of myself, a private and lowly member of this House, my thanks to you for the kindness which you and your office staff have shown to me in the past year. May I say to you, and I hope you will not think I mean anything sinister or sardonic by it, that like wine you improve with age.

Now, Mr. Speaker, we have gotten away from the practice of extending thanks to the mover and seconder of the address which is the subject matter of this debate and I wish to return to it. I wish to extend my congratulations for their mighty efforts to the hon. member for St. George (Mr. Lawrence), and the hon. member for Renfrew North (Mr. Hamilton), neither of whom are in their seats, unfortunately, to hear these glowing words of tribute to them. But I wanted to say to them, and perhaps their colleagues who see them in the hallways and the restaurants will say that I said it of them, that to be selected to move and second the address means a mark of a man that is on his way—he is on the way, there is no doubt about it.

When I first came to this House three years ago, the hon. member for Peel (Mr. Davis) moved the address and the hon. member for St. Andrew Mr. (Grossman) seconded it, and look where they are now. One cannot say that they have been idling their thumbs and wasting their time, they have made great progress. The one now is second vice-chairman of Hydro, and the other is the chief liquor commissioner of the province and indeed in that capacity he manages what I think is the largest retail business in—I was going to say Ontario—I am sure in the whole of Canada if not in North America. He has a monopoly and he stands as a tower of strength, a pillar of piety at the top of this organization.

Just to show that I have a historical sense, I feel that tradition was broken because we had two by-elections and two new hon.

members came into this House; and traditionally the hon. leader of the government selects them to move and second the address. One would not want to say to them, sir, that because they were not selected that no promotion is in the offing for them; it is for another reason.

Instead we had the hon. member for St. George (Mr. Lawrence) and the hon. member for Renfrew North (Mr. Hamilton); and we have always looked upon the hon. member for St. George—he was here a moment ago, I went to school with him—we have looked upon him as a very dynamic and vigorous young man. Indeed, there may have been some thought in selecting him, some desire to heal the wounds, to pour salves on the river of bitter controversy that had taken place but two months previously up in a certain forum to the north. However, that may be.

One would not want to pass over and forget the hon. member for London South (Mr. White), but I do not speak to him in a spirit of congratulations. I speak to him in a spirit of thanks. I feel I must also speak to him in a spirit of condolence, because he, perhaps you would agree with me privately—I, like the hon. member for Grey South (Mr. Oliver), speak to people privately—you would agree with me that he committed what was perhaps in the impeccable French of the hon. member for Nipissing (Mr. Troy), the “fox pass” of the session. He tried to be a fox, sir, he tried to out-fox the chief fox over here, but the chief fox out-foxed him.

One is led to wonder about the conception and the birth of this stratagem. Did he—one can ask rhetorically because one would not expect an answer—did he get the idea for that stratagem from his neighbour to the north? It was said, it was rumoured in the halls—and he will forgive me for saying it, I am sure—that he was an heir presumptive to a ministry with or without portfolio himself; and he is contingent and adjacent to a man who has a great deal of power and influence; and did that man, his neighbour to the north, perhaps give him the instruction? And if the neighbour to the north thought up the stratagem, then who had he turned to, who had given him advice to use it? Was it Gabriel on his right or was it Lucifer on his left?

We might deal for a minute with the hon. Prime Minister (Mr. Robarts). He said this afternoon, in what I thought was quite an essay, he said that if we brought in our sales tax, and I do not want to go all through it, the people would start to go out and buy

articles of trade, they would take their custom to various houses and department stores by buying a part of an object. You know what it would lead to: "Will you drop in for a beer with me, Harry?" "No, I cannot, I have got to go and buy the other wheel for the baby carriage."

The hon. Prime Minister did, in order to support what was otherwise quite an unsound argument, he did turn to the law and he is an able lawyer. He is a London lawyer—that is London-in-the-bush, sir, not on-the-Thames—it is not the Inns of Court. He is one of Her Majesty's counsel, learned in the law.

He said the law holds that a man can so arrange his affairs that he can escape the payment of tax. I listened with incredulity to this. It is true that the Privy Council said that in 1936, but that was a generation ago. Let me read to you what Viscount Simon had to say, and it is just a brief paragraph, what he had to say in an appeal case in the House of Lords at a later date:

It is said that in revenue cases there is a doctrine that the court may ignore the legal position and regard what is called the substance of the matter.

I have the wrong book. I had the right man but the wrong book, but now I have the right man and the right page, and he says:

My Lords, of recent years much ingenuity has been expended in certain quarters in attempting to devise methods of disposition of income by which those who were prepared to adopt them might enjoy the benefits of residence in this country while receiving the equivalent of such income without sharing in the appropriate burden of British taxation.

Judicial dicta may be cited which points out that however elaborate and artificial such methods may be, those who adopt them are entitled to do so. There is, of course, no doubt that they are within their legal rights, but that is no reason why their efforts or those of the professional gentlemen who assist them in the matter should be regarded as a commendable exercise of ingenuity or as a discharge of the duties of good citizenship.

That is what Viscount Simon had to say about it. I thought it incredible, because I remember when I first started to school, the primary schools, I remember that they used to teach us the incidences of good citizenship, and they used to say that one of the incidences of good citizenship was paying your taxes.

I thought it quite incredible that the man who both leads this House and is hon. Minister of Education (Mr. Roberts), should hold to such a doctrine that a person can live in this country—and I do not presume to lecture him—that he can live in this country and he can enjoy the great benefits of being a Canadian and a resident of this province and then not pay his just share of taxation.

One of the other characteristics of this debate is that it is about the speech from the Throne. I want to turn to that document if I may for a moment. We seem to have gotten away from it.

I can say that I spent a good deal of time in a most careful scrutiny of it. Some of the things that I see in it, to which I wish to refer hon. members for a moment, are as follows:

Among many other measures designed to promote the progress and economic well-being of our province, this programme will include:

—let us just say the programme for this legislative session—

1. New methods to promote co-operation between industry, labour and government, and to increase production and employment.

Now I say to the House that as we in this province face the depths of winter, as we approach the Yuletide season, and at a time when there are 100,000 citizens—100,000 able-bodied people—in this province who are ready to work, and cannot; in such case, sir, if the government, as it has promised in the speech from the Throne to bring forward measures in their words "to increase production and employment," then I say and I ask of the hon. members rhetorically: why have they not done so?

We heard, and I am not going to go into the flowery oratory that we heard in the leadership campaign, but we heard from the seven candidates, we heard from them each in their own and unique, characteristic way, we heard the panaceas which they offered the people of this province. We saw that quite a number of them seem to have discovered northern Ontario for the first time. I thought for a while that some of them had begun to live up there, they descended upon my riding so much. But we heard from them that they had good ideas, if they were given the responsibility of office, on what to do with the economic picture.

I may ask hon. members, why was there not a bringing together of heads, so to speak, before the Christmas recess, before

the depths of winter come upon us, in order to bring forward these measures that are designed to increase production and employment.

We see the statistics, and I am not one who likes to dwell with statistics, but we see the statistics show the same increase in unemployment as September moves into October, October to November, November to December. We see that perhaps there are not as many—now I want to keep to the facts—there are not as many gross number unemployed, but we see the same trend and it is safe to say that there are 100,000 in Ontario, men and women, many of them with families, many of them who cannot help but look at the future with stark anxiety.

Having been promised by this government that measures will be forthcoming, then I say why do they not bring forward these measures and have us pass them as we will gladly do, to assist these peoples? We will do anything on this side of the House in the spirit of unanimity and co-operation to better the lot of those who through the fortunes of economy, through no fault of their own, must face the future with a great deal of anxiety and despair.

Now to go on with this, paragraph 5, and I will just pick them out at random:

An accelerated programme of highways, parks and economic development in northern Ontario.

I imagine that is the contribution of the new hon. Minister of Economics and Development (Mr. Macaulay)—economics and everything, the hon. member for Essex North (Mr. Reaume) says—because he was in Sudbury a great many times during that campaign, or several times. He came up there and he had a great deal to say about his programme for northern Ontario and what he would do for us and we gladly welcomed him. I do not think a great many of the delegates from Sudbury trusted him because they all voted for the hon. Attorney-General (Mr. Roberts), including the hon. member for Nickel Belt (Mr. Belisle).

I suppose it means an accelerated programme of highways and I suppose it means that I am finally going to get the road link from Sudbury to Timmins. I welcome it. I am going to get it? Nay, indeed, the hon. member for Nickel Belt, it is in his riding, and he has faithfully supported this government since his first election in 1955 and he has asked for it with me. I presumed to lend my voice to his, to ask for it and I expect when the capital programme of high-

ways is introduced after the new year, that a sort of belated Christmas present will come to him and to me.

Then Sudbury—of which I am not going to say much tonight—then Sudbury really will begin to be the true capital of the north. I have said before that Sudbury now is balanced entirely on an east-west axis, Highway 17. It has more contacts and more commercial intercourse with southern Ontario than it does with that vast hinterland full of riches to the north of it. In the order of things Sudbury ought to expand its influence in an economic way to infiltrate commercially into that great area, as we have been unable to do up to this time.

I turn now to rather a unique sentence and if you will bear with me, Mr. Speaker, being a student of literature I want to read you a sentence and then I want you to bear with me while I analyze it, parse it, I think is the word, and I would like any hon. members of the House to get their pencils out and follow this. This will be an interesting experience in the field of literature:

My government is aware that there is no easy solution to our difficulties, or that it can provide some magic formula which, if taken in sufficient doses, would cause them to disappear.

Now, sir, that sentence is made up of two clauses, two subordinate clauses, each with their conjunction and each with their verb. It is fair, sir, in analyzing a sentence to read the sentence as if one of the clauses were not in, in order to understand the meaning of the other one, so let us read this sentence in that way.

I am going to leave one of the clauses out and here is what it says:

My government is aware that it can provide some magic formula which if taken in sufficient doses would cause them to disappear.

That is what it says. Now I would never believe for a moment, sir, having heard His Honour the Lieutenant-Governor on many occasions, that he could have been the author of such a sentence as that. But I must presume—and I have been told, I did not see him write it—but I must presume that the leader of the government wrote this speech and he was so imbued with the success of October 24, at Varsity Arena that he said: "I won that, now I have got it and I will tell the people of Ontario about it." Or it could be, it might be, that the magic formula is the hon. gentleman who sits to his right.

We cannot help but welcome that such a characteristic now attends the legislative halls

of this province. They will begin to produce it, we move toward the Utopia. I suppose even in the by-elections of January 18 we might expect to meet some of this magic. We have not seen it yet but no doubt it is being kept for that occasion.

Now I want to turn and say a word to the hon. Minister from St. Andrew (Mr. Grossman), the Chief Commissioner of the Liquor Control Board. I am not asking any questions of which he can take notice at all—like my hon. friend from Nipissing (Mr. Troy). I am going to give him the facts on two transactions, and nothing but the facts.

I think it is safe to say that the great fountain of patronage in this government is in the Liquor Control Commission.

Interjection by an hon. member.

Mr. Sopha: Well, I never said any such thing and I have not time to stop and argue with you tonight, though I would be delighted to do so.

One of the methods of granting patronage in the Liquor Control Commission—a method of which, for reasons which will become apparent, I heartily disapprove and which I condemn, and I would want to be part of no government which carries on this racket—is granting a right to the individual to build a liquor store and then rent the property back to the Liquor Control Board.

In order to get that right you cannot be just an ordinary Tory, you have got to be one of the brass—you have got to demonstrate your devotion to the Conservative Party above and beyond the call of duty of ordinary mortals.

In the town of Capreol, a little community 20 miles north of Sudbury, the liquor store was built in 1957 by a person—I am not going to name him, I like the man, I do not condemn him—a well-known Tory in the Sudbury district. I said that you had to go above and beyond the call of duty. Well, sir, you do. During the last election campaign this man used his private aircraft to fly the hon. member for Nickle Belt (Mr. Belisle) into the hinterland, in the back concessions, in the lumber camps. He flew him around during the election campaign—at his own expense, I presume. The results—I must say, to our great chagrin—of his devotion and his efforts made on behalf of the Tory Party were very effective. The hon. member for Nickle Belt won by some 453 votes only, but we have got our eye on him. Maybe next time—maybe, you never know—we will have an aircraft, too.

This man, sir, who comes from a community to the west of Sudbury—he is not in my riding, he cannot vote against me—was granted the right to build the liquor store in Capreol. He purchased the land in 1956 for \$2,500. He entered a lease with the Liquor Control Board for 10 years on July 31, 1957. The rent payable by the Liquor Control Board is \$4,380, payable at \$365 a month, there is a five-year renewal at a rent to be determined, and if it is not determined between the parties, then by arbitration. \$4,380 a year.

I have had my contracting friends take a look at the building and tell me what they think it would cost to build it. The estimates range from \$25,000 to \$30,000 to build the building. He paid \$2,500 for the land, sir. Let us take the maximum figure; if he spent \$30,000 to build the building, his investment is somewhere around \$35,000. He is getting \$4,300 back a year. The building will be paid for in the ten years of the lease. He will own the building, and then, presumably, the liquor store—they do not often move—will continue to operate in those premises. From then on—if I may lapse into the vernacular—he is in clover.

To you, sir, and to the hon. members, I must confess my own part because I would not want to mislead the hon. members in any way. I was approached by a group last year in Sudbury asking me if it would be possible to make representations to the Liquor Control Board to get them the right to put up a store, or rent them premises in a shopping plaza that they were building in the section of Sudbury known as New Sudbury—the rapidly expanding residential area to the north. On their behalf I made some inquiries and introduced them to the late chairman of the Liquor Control Board. He told me the type of material he wanted to have from them. I never at any time appeared before the board on their behalf. I never prepared any brief or made any presentation. My services were confined entirely to arranging an interview with the late chairman. Certainly they had my best wishes. May I add, sir, that I was not paid one cent for any of those services.

Until shortly before the death of the late chairman the group was still negotiating with him. I am positive in my own mind that no conclusion had been given to the disposition or the placement of a store in that area at the time of the chairman's death.

About a month following his death, the chamber of commerce invited the hon. member for Nickel Belt and myself over to a luncheon, to give a report on the affairs of the legislative session just ended. Lo and behold,

to my utter amazement, during his address to the chamber of commerce the hon. member for Nickel Belt—having eaten their food as I did—announced to them that a liquor store would be located on LaSalle Boulevard and Ojay Street, about a mile to the east of the location being negotiated by this other group.

I may say, sir, there would be many in Sudbury who would be inclined to agree with me that great argument could be made—I am not going to make it now—that the location of the store in the unsuccessful people's place would have served a larger number of people more readily, with greater facility, than the present location. However, those are the fortunes of war.

I was particularly interested because, in the case of Capreol, I did not see why the Liquor Control Board should go outside the town of Capreol and allow a faithful Tory henchman—one of the brass—to come in there and build the store. I thought they should at least inquire in that small community of some 2,500 souls whether there was someone who had the lands and finances to reap the benefit of the largesse of that important government department. I thought that was wrong. But, after all, we live in one province.

After they started building the store at LaSalle Boulevard and Ojay Street I was curious about who these people were. I discovered that the owner of the land and the lessor to the Liquor Control Board is Sanron Developments Limited, incorporated under The Corporations Act by letters patent May 21, 1959. It has not surrendered its charter. The president is Kenenth Laverne McCormick, 1204 Sherwood Trail, Sarnia; the treasurer is his wife, Georgina Maude McCormick; the vice-president is Helen Vera Rankin of Sarnia; the secretary is Daniel William Rankin, the husband of the vice-president, also of Sarnia. The four of them are from as far away as Sarnia.

Apparently these people—and I have nothing to say about them at all, are a group of young people engaged in the building business—were invited to participate in the magnanimity of the Liquor Control Board by a well-known Conservative of Sudbury by the name of Short—Lloyd Short.

Lloyd Short had been away from our fair city, carrying on the business of realtor in Sarnia or Point Edward where he was president of the local Tory organization for a period of time. I do not know how many years. Shortly before he got this agreement from the Liquor Control Board he had moved back to Sudbury and opened the business of realtor there. One of the interesting things

about this transaction—and I just lay the facts before the House—was that they paid \$24,000 for the land. Now, those who are more familiar with these things than I, tell me that the value of that land on that specific site ought to be something between \$4,000 and \$7,000. It is interesting to know why they paid what seems to be an inflated value for the land. They paid \$24,000 for the land. They purchased it from Robert Blais.

Then they took out a mortgage with the Lambton Loan and Investment in Sarnia for \$80,000. That mortgage is payable at \$638.90 per month. The lease is dated September 26, 1961, for 15 years and the rent payable from the Liquor Control Board is \$11,895 a year, payable at \$991.25 a month. Also included in this is an option to renew for five years.

A little bit of mathematics—and the hon. Minister of Economics (Mr. Macaulay) is more facile in economics than I am—will show that in 15 years they will get back about \$165,000. They will have that land and building paid for and then they too—like the flyer from Waters who took a flyer with the Liquor Control Board in Capreol—they too will be in clover.

I merely set that out to show the type of thing that goes on, and how this government—as of one of the devices to sustain itself in power—farms out this largesse and this patronage, with your money and mine, sir, from the public treasury. Those are the facts. Perhaps the hon. Minister without Portfolio (Mr. Grossman) when looking up the answers to the questions asked by the hon. member for Nipissing (Mr. Troy) might give us a word of explanation with respect to these matters.

One of the things that has occurred in the House that is of great moment—perhaps of greatest moment and importance—during this session, was the speech of the hon. leader of the Opposition (Mr. Wintermeyer) delivered on November 29. I am not going to refer to that. But a very curious thing, in my view, a very significant thing—I shall try to develop the significance of it—occurred afterwards. One or two days after he had made his speech, a fellow who might aptly be named “Million-dollar Joe Ryan” made certain statements in the press; the hon. leader of the Opposition had named him in his speech together with a gentleman by the name of Cradock.

Ryan became very voluble when the reporters phoned him and he made certain statements. The reporters also phoned the

chairman of the Securities Commission, an agency directly responsible to the chief author of all of this misfortune, the hon. Attorney-General (Mr. Roberts). They asked Mr. Lennox, the chairman of the Securities Commission, "What about this statement that Mr. Wintermeyer has made about Cradock and Ryan?"

The hon. leader of the Opposition had said nothing more, I think, than that Cradock and Ryan had very bad records with the Securities Commission—rather an innocuous and unimportant statement in itself; it does not attach anything in the way of criminality, opprobrium or censure to the gentlemen. Mr. Lennox said, "Never heard of them—never heard of Cradock or Ryan". Lo and behold, two or three days later, Mr. Ryan—"Million-dollar Joe Ryan," who has a penchant for the press and reporters, and they are all engaging young men—began to tell them that he and Cradock were expelled from three stock exchanges in this country, for some misconduct, some failure, some neglect, some misdemeanor. I think there are only three stock exchanges, at least in eastern Canada. Three had expelled them.

It makes one wonder, sir; who knows more about the running of the stock exchanges or the Securities Commission—Ryan or Mr. Lennox? Perhaps Ryan knows more about it; perhaps Ryan ought to be the chairman of the Securities Commission. He is more alive to developments. That leads me back to certain remarks that I made two years ago in this House—unlike the hon. member for York South (Mr. MacDonald) I do not read old speeches to the hon. members; the hon. Minister without Portfolio (Mr. Grossman) has a flair for that, too.

I said at that time, that the stockateers—those who thought they had letters of mark, so to speak, the pirates on Bay Street—did more to give this country a bad reputation in foreign lands, and particularly the United States of America, than any other single group in the country. They were our worst advertisement. Defrauding and mulcting innocents abroad, as they do, they carry their wiles and their fraud into the far corners of the United States—selling their fraudulent paper on moose pasture in Ontario, Quebec, the Northwest Territory, Baffin or Ellesmere.

It has a serious vein to it, and I complained, and I complain again to you, Mr. Speaker, that the Ontario Securities Commission is not an effective instrument; it is anything but. It is not an instrument of government to control these people. If, sir, you will glance through The Securities Act itself, you will see, as far

as the affairs and stock exchanges are concerned—and that is where the activities take place—I never owned a share of stock in my life, sir. The hon. Minister of Energy Resources (Mr. Macaulay) would condemn me for that because I will not take a risk like a great many other Canadians. But then, I am an hon. member of this House. If you look, as I do every day, you will see Lake Dufault fluctuating at \$1.30, \$1.50, either way, every day.

I remember when I was a boy; you see, I grew up in Cobalt, in a mining town that suffered a great deal from the operations of these privateers, and as early as my mind will take me back, I remember these people coming into Cobalt, and remember my father at the supper table talking about these Bay Street promoters: They are coming in and they are going to develop the Coniagas property, or they are going to do something with the Nipissing property, or there is something going to happen on the O'Brien property; all of these closed down.

I could picture in my mind's eye, these people from the south—as a boy, like most other northern boys, I could always picture somebody from Toronto; they were different, a different breed of people. They would come up in their new canvas khaki coats and their high-top leather boots, and their breeks, and you could tell by looking at them (a) that they were mining promoters, and (b) they were from Toronto. And I always got the impression that they drank a better grade of whiskey than my father did.

They would come into town, go around looking at the property, decide they were going to do this, they were going to do that; there would be a flurry on the market, the Toronto Stock Exchange, but nothing would ever happen. Now that is a generation ago. The same thing goes on and we could name the stocks in the previous years.

Do you remember Beaulieu—and any number like it—went up in terms of dollars and then plummeted, and people lost a fortune? Indeed it is only some three months ago, when the flurry started with Lake Dufault, that a man from Sudbury started to sell it short at 70 cents—I hope I do not offend his widow, when I mention this; it is a terrible thing. He sold some 14,000 shares short on the market, it went up to \$5 or \$6, and he did not have the money to cover and that poor wretched individual who thought he was going to make a quick killing went down one day into his basement and took a rifle and destroyed himself. Living in the north I have seen other people like that, I have seen

people with nervous breakdowns as the result of getting into the stock market. The reason is that there are people in the stock market on Bay Street who do not care if they ever bring a mine into production. They do not care if they ever bring a mill. They do not care if they ever sink a shaft. All they want to do is to rally the market; to boil it down. Those who go to horse races are condemned—like the hon. member for Huron-Bruce (Mr. Hanna) and myself who go two or three times a season.

Hon. A. Grossman (Minister without Portfolio): That is why the hon. member has no money left for bonds.

Mr. Sopha: The hon. Minister condemns those. The gambling on Bay Street is much the same as that and one need look no further to see the difficulty than in the *Toronto Globe and Mail* of a couple of days ago, where General Graham complained about these very types of individual. He said that they are ruining the honest operation of the Toronto Stock Exchange and he said that they are giving Canada an exceedingly bad name abroad.

I say that the only answer is that this government—or when we come to power we will do it, at least I will attempt to persuade the leader of the government to arm the securities commission with sufficient power to deal with these people, to give the securities commission power to go into the Exchange and control it. Because this body, this little club, this club that operates down there under the name of Toronto Stock Exchange, a bastion of free enterprise, wants no interference from government.

Government interferes in lots of less important areas of the economy, and controls and directs; and the Toronto Stock Exchange, I say to you, sir, or any other stock exchange operating in this province is no sacred institution if the people can perpetrate their machinations to the expense of both the economy and the good name of our country.

Just to mention another one to draw a comparison—no, I will not, I do not want to extend my remarks too long.

Hon. members: Thank you.

Mr. Sopha: The hon. members are welcome.

I wanted to say a word about labour, sir. We on this side of the House indeed welcome the decision of the Chief Justice of the High Court made today. I take it it has not yet been appealed, sir, so the matter is not *sub*

judice and is not a matter awaiting a judicial decision. I studied and scanned the press tonight to see whether the notice of appeal had been filed and Sir Erskine May says, sir, that until a notice of appeal is filed the matter may be properly commented upon in the legislative hall.

I, among many others, sir, thought that Magistrate Elmore was wrong in his decision, though I could understand as a lawyer how he could arrive at that decision.

This matter of the Royal York strike, commented on earlier by the hon. member for St. George (Mr. Lawrence) in somewhat flamboyant and excessive language, is not far removed from what is wrong at the present time with all of the labour picture in this country. And one reads, sir—I pick up an editorial from a newspaper that does not ordinarily say nice things about unions, *The Financial Post*—and they say, and I do not know whether they have tongue in cheek or whether they are being smug or patronizing, but they reflect on the fact that there has been a steady decline in the number of trade unionists in Canada: 401,447 at the beginning of 1961, and 401,459 in 1960. It is only a drop of some 12,000 but it is significant of the decline that has been going on for a number of years.

I am one who will say, sir, and I do not hold myself out to be any authority whatsoever on why there should be a decline, but I give it as a matter of opinion that one of the reasons for the decline and one of the reasons for the loss of prestige of trade unions is that trade union leaders, sir, are not content to act solely in that capacity, but in this day and age they prefer to be politicians. It seems they are more concerned with wresting control of the state, getting themselves elected to public office, than they are in promoting the welfare of the rank and welfare of the trade union. I think that is a fair statement.

Somebody reflected in this House last year how the British trade union congress was thinking of divorcing itself entirely from the British Labour party, and what a pitiable thing it is. May I say, in parentheses, sir, in order to lay a proper foundation for my remarks, that I am a union lawyer. I act for Local 598 of the International Union of Mine, Mill and Smelter Workers—at least I have up to now, they have not taken away my letters patent yet—but I have acted for them and I have been very pleased to do so.

Mr. D. C. MacDonald (York South): It is short lived.

Mr. Sopha: Yes, the hon. member says it is short lived. I am afraid it will be if David Lewis comes in there; he will not want to share his \$50,000 a year with me. But I am content; there is always another case.

Mr. K. Bryden (Woodbine): How does the hon. member know what he gets?

Mr. Sopha: There is always another case. I have been very pleased, I say, sir, to act on the side of a union. It is the type of work I like to do; it is a fascinating field of the law.

Who can help but believe, sir, who can help but believe that when the trade union executive goes into a government office, goes into the chambers where government policy is decided, and asks the government to do something for him, that the man in control, the man who has the responsibility of power, the man who has been elected to public office, who is himself a politician, striving to be a statesman, but who sits on one side of the desk, asks this trade union executive on the other side in what capacity, in which one of his roles, has he come? Has he come to visit as the voice and agent, the steward of the trade union who elected him, or has he come as a politician?

It is difficult to discern in the minds of those responsible for government just what capacity he is in; because he knows that if he accedes to the requests on behalf of the labour movement or on behalf of the trade union then it will not be long until that trade union executive is out of his office on a public platform, on the hustings, and he is abusing and vilifying the person charged with political responsibility.

Down at Ottawa, the Prime Minister of this country laid it down, sir, as one of the planks of his programme, that he would in all government wards and commissions give labour a fair opportunity, give them their share of the seats, that he would appoint them to such councils; and we have seen what Mr. Diefenbaker has done in recent months and recent years. When the vacancies occurred he passed over the trade unionist nominee. Take the case of the unemployment insurance commission.

Mr. Bryden: And it was certainly cheap politics when he did it.

Mr. Sopha: Well, he did it, and I suggest to the hon. member that Mr. Diefenbaker is thinking in terms that these people are not really representatives of the trade union movement.

Mr. Bryden: They have been elected to that. Who is he to say?

Mr. Sopha: One of the politicians, and I am not sure that I accord with this, one of the politicians sits on the labour relations board in Ontario, in the person of Mr. Archer. We in this party say, what kind of a board is that getting to be? My friends to the left here, they talk about their right to be heard.

Mr. Bryden: Are there no politics on that board? What is the hon. member talking about?

Mr. Sopha: What about our rights? That labour relations board right now is made up of Conservative appointees and New Democratic appointees.

Mr. Bryden: We appointed no one. They got there on their merits.

Mr. Sopha: Why do they not have Liberals on it, we might ask?

Mr. MacDonald: There are no good Liberals.

Mr. Sopha: And I fear, sir, and let me sum up with this—my hon. friends can stand anything but the truth—there will be a continuing decline in trade union membership, and loss of strength of the trade union movement, until such time as trade union executives get back to a realization that they were elected to promote the welfare of the rank and file of the union movement.

That is all I am going to say, sir, that may be found to be provocative to my hon. friends to the left. I am not going to do any such thing. Let them run for public office, sir, let them run. But I say to them, if they want to run for public office, lay down the duties and the responsibilities of leaders of the trade union movement.

Mr. Bryden: Nonsense. They run for office in the union if they get elected.

Mr. Sopha: Let us not be schizophrenic. A man can do only one job well—be a politician or be a steward of the union. Let these people come to Sudbury and try to change the voting habits. I challenge them to a contest if they come; take it at the drop of a hat.

The House has been very indulgent with me to this time—generally speaking, the House has been very indulgent with me. There are

some exceptions. However, I am going to embark on the final part of my remarks and I am going to say something which is very serious—very serious indeed.

Mr. Bryden: Well, nothing up to now has been serious.

Mr. Sopha: Would the hon. member kindly shut up.

I want to lay the proper background, sir. I am going to make some observations of fact about an hon. member of this House. I want it clearly understood that I am not making any charges. I am going to lay the facts before this House, sir, and I am going to let the facts speak for themselves. And I think those statements of facts, documented as they are—and I have the documents before me—will call for an inquiry by the government of the conduct of this hon. member and an explanation and a disclosure whether one of the important statutes of this province has been broken.

I will in fact call for an inquiry as to whether that hon. member has a continuing right to sit in this House. As I say, I am not making any charges. I do not know the answer, but I think as a result of what I show to this House, that it will be incumbent upon the government to investigate the matter fully and, if he has a right to sit in this House, that they assure all hon. members of this House, and in fact the people of this province the basis for that right.

I take you back, sir, some 13 years ago, to the Mississagi fire which occurred in the summer of 1948 and burnt a large area, several hundred thousand, if not millions, of acres of very fertile forest area in the district of Algoma. That district, though I do not claim to have a great familiarity with it, the district in that area contained a large growth of timber saw-logs which had reached a very advanced stage and were ready for logging operations. The then hon. Minister of Lands and Forests, when he described that fire to the House during the session of 1949—as I say that fire occurred in 1948—said this:

At the present time we have approximately 60 million feet of logs in the water and before the break-up comes we are hoping to have it up to about 70 million feet. This portion is that which was most seriously hit. [He is speaking of hit by fire]. We will carry on these operations in areas wherein the trees were slightly scarred but not damaged, and then we will have left small isolated patches of green timber, which was not hurt at all but still

cannot justify an operator going in later and setting up camps. We anticipate we will have between 150 million and 200 million feet before we are finished.

Now I take it that he is referring there to salvage, to the amount of timber that could be salvaged from that operation.

I do not pretend to know what the policy of the government was. I have studied the journal and I have studied the debate to ascertain what the policy of the government was at that time, in getting this timber out, salvaging it, but apparently they were content for private persons to go in there and do this work and they—apparently, I say, I do not know for sure—but apparently the government found a market for these saw-logs or at least someone had been to the government and had made representations to the government wherein they would purchase the saw-logs.

I do not know how many different operators were given the right by the government to carry on this salvage operation. That is among the questions that remain unanswered. I do know the identity of one company that carried on that operation and was paid a vast sum of money by the government for that. And indeed, not only paid a vast sum of money by the government for the delivery of saw-logs but was paid advances from the government. The government of this province advanced money to this outfit for the purpose of taking pulpwood out, and I think that is very unusual, that they should say to a group: "We'll give you the money to carry on your operation".

I think, even in the face of the economy at that time, that if it were profitable people would come forward, experienced in the branch of forest industry, and be able to put up their own capital. That is one of the things that needs explanation.

Against that background, I want to place the facts before the House. As I say again, sir, I make no charges at all. No man can get up and say that I am insinuating anything. I feel it is my duty to put these things before the House. I do it with a non-contrite heart and I do it with the assurance that it is the exercise of duty because I remember only too well—and let me give this added bit of background—there are those who sit here with me who were here before me and remember the aspersions, the slander, the innuendo, the defamation, of the hon. leader of the Opposition (Mr. Wintermeyer) when he was alleged to have done something wrong; and what he did was peanuts, noth-

ing. They took it out on him. Against that background and knowing what will happen in this House I am absolutely unashamed to put these facts before the House.

I have before me a photostat of a true copy of Instrument No. 1724—and you will forgive me, sir, if I read these in detail—registered in the registry office for the district of Algoma on the 8th day of June, 1949; photostated on the 26th day of July, 1961, at the hour of 9.30 a.m., as witness my hand and seal of office (sgd) Viola Filipcic, Deputy Registrar of Deeds:

DECLARATION OF PARTNERSHIP
DISTRICT OF ALGOMA

We, Gerard Joncas, of the town of Thessalon, in the district of Algoma, contractor,

and

Luc Cote, of the same place, contractor,

and

John A. Fullerton, of the same place, merchant,
hereby certify

1. That we have carried on and intend to carry on trade and business as timber contractors at the said town of Thessalon and at Rocky Island Lake to the north thereof in partnership under the name of Mantane Contracting company.

2. That the said partnership has subsisted since the 10th day of May, 1949.

3. That we are and have been since the said day the only members of the said partnership.

4. That we are each of the full age of 21 years.

Witness our hands and seals at Sault Ste. Marie, this 21st day of May, 1949.

Witnessed by

(signed)

ELSIE BJORKLUND

(signed)

J. GERARD JONCAS

LUC COTE

J. A. FULLERTON

Attached to that is an affidavit of execution of Elsie Bjorklund, the normal affidavit of execution, sworn on the 21st day of May, 1949, in which she says she knows all the subscribing parties, saw them sign, seal and execute the document.

Later the only other instrument registered in the registry office in Algoma in relation to this partnership is Declaration No. 1894, filed on the 31st of October, 1950, and it is a declaration of a change in partnership by Gerard Joncas and John A. Fullerton of their intention to carry on business as timber contractors at Thessalon and Rocky Island Lake as Mantane Contracting Company.

The said partnership is a continuation of the present one in relation to which a declaration was filed in Book P for partnerships for the district of Algoma on the 8th day of June, 1949, as No. 1724. The only change is that Luc Cote named therein has withdrawn from the partnership which has purchased the interest of the said Luc Cote. This change has been effective since September 1st, 1950.

The government of the province of Ontario paid to Mantane Contracting Company for salvage operations as a result of the Missisquoi fire the following amounts. I can prove these amounts, I can prove that these payments were made, sir. I want to read them all.

September 19, 1949	.....	\$ 2,013.52
October 11, 1949	.....	6,565.44
November 21, 1949	.....	10,249.34
November 24, 1949	.....	2,850.22
December 9, 1949	.....	6,335.34
January 6, 1950	.....	31,913.77
January 10, 1950	.....	7,455.37
January 16, 1950	.....	6,939.54
January 21, 1950	.....	21,712.65
February 10, 1950	.....	44,091.06
March 2, 1950	.....	54,273.75
March 14, 1950	.....	13,561.53
April 19, 1950	.....	15,220.57
June 1, 1950	.....	9,000.00
June 14, 1950	.....	4,363.87
August 25, 1950	.....	1,409.76

The total, sir, paid by the government to Mantane Contracting Company during the time for which this agreement was in operation and in which the hon. member for Algoma-Manitoulin (Mr. Fullerton) was an hon. member of this Legislature, and a partner in Mantane Contracting Company was \$237,955.73.

In addition, sir, the government advanced to Mantane Contracting Company, the following amounts to be recovered from the sale of salvage pulpwood. This is the operation that I referred to earlier.

December 16, 1949	.....	\$42,135.66
January 27, 1950	.....	35,223.23
February 24, 1950	.....	38,370.01
September 6, 1950	.....	45,000.00

—for a total of \$160,728.90.

Contracts with Mantane Contracting Company were completed June 14, 1950 and August 25, 1950. Advances were refunded on October 20, 1951. Apparently the company sold this pulpwood that it had for salvage and repaid the government. As I say, I do not know why the government had to advance the money in the first place. It is one of the things that I think needs an explanation.

There is another interesting part to it. This man Joncas, his name is J. Gerard Joncas, comes from a place in Quebec by the name

of Mantane. He, of course, is a partner with the hon. member for Algoma-Manitoulin in this company. There was a company named Mantane Logging Registered. That company is not registered in the registry office for the district of Algoma. I do not know if it is registered anywhere else in Ontario. I am informed that a partnership in the province of Quebec customarily has that form of title, the name of the company and the word "registered" after it. I have not searched in the province of Quebec to see if there is a registration as to who operates this company, Mantane Logging Registered. However, I draw this to your attention, the similarity of the names, the fact that this company was carrying on a similar operation in the same place, the fact that Joncas is a partner in Mantane Contracting Company. An additional fact is that the contracts were completed with Mantane Logging Registered August 25, 1950, the same day as the contracts were completed with Mantane Contracting Company. Therefore, there is a suggestion I say on those facts, and an inference to be drawn, that these companies, these two companies, are connected. I say that is a matter which should be the subject of an inquiry.

I am not going to go into the amounts that were paid, the specific amounts. I have them, sir, here. I am prepared to prove that they were paid. Between December 13, 1948 and August 25, 1950—and you will note sir, the similarity in the dates—the last payment to Mantane Contracting Company is August 25, 1950—the last payment to Mantane Logging Registered is August 25, 1950. The total amount between those two dates, December 13, 1948 and August 25, 1950, paid by the government of this province to Mantane Logging Registered, \$1,039,293.40. So, *in toto*, sir, these two companies were paid a total of something approaching \$1½ million.

Subsequently, sir, by letter dated November 28, 1950 from Messrs. McGuire, Boles & Worrall, barristers and solicitors of Toronto, addressed to R. J. Cudney, Companies Branch, Department of Provincial Secretary, Queen's Park, Toronto:

DEAR MR. CUDNEY:

Re Mantane Contracting Company Limited

I enclose Petition for Incorporation as Mantane Contracting Company Limited.

The owners of this Company at present are J. A. Fullerton, M.P.P., and J. G. Joncas, his partner.

We also enclose their cheque payable to the Provincial Treasurer for \$210.52 to cover incorporation fee plus exchange. As

their bank is at Thessalon we are unable to have the cheque marked by the bank before forwarding it to you.

I would be glad to discuss this Petition with you if there is anything which requires to be explained. The objects in this Petition are the same as in another company for which I obtained a charter a few years ago, and is required because of the several different lines of business this firm is now carrying on.

Yours sincerely,

(signed)

W. H. MCGUIRE.

Sent the next day, I believe, there was a document commonly known as a consent to use a name. In the matter of a pending application for incorporation, under The Ontario Companies Act, of the Mantane Contracting Company Limited:

We, John Arthur Fullerton, and Joseph Gerard Joncas, both of the village of Thessalon, in the district of Algoma and Province of Ontario, carrying on business at Thessalon, under the firm, name and style of Mantane Contracting Company, hereby consent to the name Mantane Contracting Company Limited being granted to the company, incorporation of which is being applied for by William Henry McGuire and others and to the use of the said name by said company.

In witness whereof we have hereunto set our hands and seals this 28th day of November, 1950.

WITNESS

(signed)

M. MCHUGH.

(signed)

JOHN ARTHUR FULLERTON,
J. GERARD JONCAS.

Attached to that is an affidavit of Mary McHugh saying that she was personally present and saw John Arthur Fullerton and Joseph Gerard Joncas sign it, and she then said that she knows them, that she subscribed her hand as witness.

Then there is a letter of December 4, 1950, addressed to J. F. Sharpe, Esq., Timber Management Chief, Deputy Provincial Secretary, Department of Lands and Forests, Buildings:

DEAR FRANK,

*Re: Mantane Contracting Company,
Limited*

This will confirm our telephone conversation of today relative to an application

for incorporation of a company under the above name submitted through the office of Messrs. McGuire, Boles & Worrall, Barristers, Toronto.

The applicants for incorporation are: William Henry McGuire, James Arthur Boles and James Worrall, Barristers-at-Law; and Mary McHugh, Secretary; and Jessie Hunter, Stenographer; all of the city of Toronto.

The purposes and objects of the Company are, in brief,

(a) to carry on the business of lumbering and the lumber trade in all its branches, and all other business incidental thereto, including buying, selling and dealing in all kinds of sawed, squared and hewed lumber and timber, etc.;

(b) To carry on the business of general contractors and to enter into contracts for, construct, execute, own and carry on all description of works and to carry on for the purpose aforesaid the business of a general construction company, etc.;

(c) To act as carriers, truckmen, cartage agents, etc.; and (d) to (l) inclusive. The head office is to be in the village of Thessalon, in the province of Ontario.

I understand that you have no objection to the granting of letters patent herein.

Yours very truly,
(signed)
R. J. CUDNEY.

Then there is a letter of December 4, same day as that letter to Mr. Sharpe:

Toronto 2.
December 4.

DEAR SENATOR MCGUIRE,

*Re: Mantane Contracting Company,
Limited*

This will confirm our telephone conversation of today relative to the above application for incorporation.

The material is in order and we are proceeding in the matter. The letters patent is being engrossed as of November 29, 1950.

Enclosed, please find receipt for cheque in the sum of \$210.52 covering the department fee herein.

Yours very truly,
(signed)
R. J. CUDNEY,
Deputy Provincial Secretary.

Then there is a letter of March 21, 1951, addressed to McGuire, Boles and Worrall,

Barristers, etc., 1315-20 Montreal Trust Building, 67 Yonge Street, Toronto.

DEAR SIR,

*Re: Mantane Contracting Company
Limited C-63102*

This will acknowledge receipt of your letter of March 16, 1951, enclosing return of change of directors for the above company and the sum of \$2.00 to cover fee for filing, receipt for which is enclosed.

Please be advised that such return has been filed in this office as of March 19, 1951.

The directors at the time of that notice of change of directors were the following: E. A. Charlton of Muskegan, Michigan; R. D. Terrien of the same place; J. A. Fullerton of Thessalon; J. G. Joncas of Thessalon; James Worrall of Toronto.

I wish to make two observations. First is that the application, the petition for incorporation, went from the offices of McGuire, Boles and Worrall, on November 28, 1950. Everything had been done, complete, in the Provincial Secretary's office by December 4, six days later, including an inquiry which had been made of the district forester at Thessalon. This is very unusual. Unusual indeed.

The engrossing date of that company was given as November 29, a day after, the day after the original petition. It took only six days to get this company through.

Normally, today, it takes about something like six or eight weeks, two months to get it through. Maybe ten years ago it took a lesser amount of time, but I doubt whether ten years ago, when I was not in the practice of law, that it could be done in six days. However, this company was formed in that time.

The second observation that I wish to make, was that when the government was first asked—inquiry was directed to the government at that time—whether any contracts had been entered into with Mantane Contracting Company, and any amounts paid under any contract of any description, the reply of the government was "No." There was none.

Then, sometime later, a month later, the government suddenly discovered that contracts had been entered into to the extent as I pointed out, of \$237,955.73 that had been paid to the company; plus an advance of \$160,728.90.

The government made two answers; and I am prepared to prove this. They had first

denied that any contracts had been entered into, and any amounts had been paid. Then a month later, I am not sure that it is a month, but it is some appreciable time later, they suddenly discovered—and the Minister of Lands and Forests at that time divulged that, as I have pointed out—monies had been paid.

The government was also asked whether any contracts had been entered into with Mantane Contracting Company Limited, and the answer was "No." And I merely cite this, bring forth this material, to show the incorporation of this company.

I am prepared to demand, sir, that investigation be made to determine whether any contracts were, in fact, entered into with the limited company of the same people, the same people as in the company registered under The Partnerships Registration Act. It gives the full picture.

Then I go on to say, sir, that the hon. member for Algoma-Manitoulin—who unfortunately is not in his seat, he was here earlier tonight—resigned from the company according to a return sent to The Department of the Provincial Secretary, of April 30, 1952, and it was said in that that he resigned from the company on October 16, 1951—J. Gerard Joncas, as well.

Just to complete the story, on March 12, 1958, the company was wound up, the letters patent were cancelled, and it was dissolved as of April 7, 1958.

However, sir, this registration in the registry office of Algoma, of June 8, 1949, still stands. There has been no declaration filed other than the one I cited that Luc Cote had withdrawn from the partnership.

What is the effect of all this? I must confess that I do not know. There is section 9 of The Legislative Assembly Act. Any hon. member can read it at his leisure. There are certain exceptions and exemptions following section 9. In my opinion, if I were to give an opinion as a lawyer, none of the exemptions from the operation of section 9 operates. I just want to give an illustration, finally, of the operation of section 9; and fortuitously, very fortuitously—I hope you, Mr. Speaker, at least, will believe that it was fortuitous—I happen to have an opinion of the law officers of the Crown.

On June 22, 1961, sir, a young solicitor, I think he had graduated from law school either that year or the year previous, was employed in the office of the hon. Attorney-General (Mr. Roberts), and I do not care to give his name. Of course, we will give his name if it is demanded. I do not think his

name is relevant. He is still working, so far as I know, in The Department of the Attorney-General. He telephoned my firm and I was not there. He spoke to one of my associates and he asked my associate to appear on a trial the next day, that was taking place in the district court of the district of Sudbury.

The name of the case was Lew against Casey. Casey was a defaulting defendant and he was defended by E. H. Silk, Q.C., solicitor to the hon. Minister of Transport (Mr. Rowntree), representing the Unsatisfied Judgment Fund. This young solicitor asked my associate to appear on behalf of the hon. Minister of Transport at the trial of the case on June 23. He confirmed that to my associate by letter of June 26, 1961. On July 5 my associate reported to him the outcome of the trial in a lengthy letter.

Then I returned to the office and my associate drew to my attention, that he had received those instructions from The Department of the Attorney-General and he was aware, of course, of my position, and we had discussed my position so far as the strictures of The Legislative Assembly Act are concerned and he asked me about the account. I gave him certain instructions and as a result of those instructions he wrote this letter to The Department of the Attorney-General, July 25, 1961, re Casey ats Lew:

Thank you for your letter of July 18, 1961, and for the kind sentiments expressed therein, and we do appreciate the opportunity of having been of some service. By the terms of section 9, The Legislative Assembly Act it is my impression that we cannot bill any fee in the matter of assistance which we may be to the Attorney-General and therefore there will of course be no account for our fees. We are wondering about the point of disbursements which are very minor in this matter and I was hoping you might speak to one of the law officers of the Crown who might advise whether or not he feels the matters of disbursements infringes section 9 of The Legislative Assembly Act.

Again with thanks for your kind sentiments,

Yours very truly,

(signed)

EDWARD JAMES CONROY.

For those hon. members of the House who are not familiar with legal terminology I might say that the word "disbursements," as most hon. members will know and I do not intend to be presumptuous, means the amount of money that a lawyer spends on the prosecution of litigation.

On September 13, 1961, my associate Edward James Conroy received this letter from The Department of the Attorney-General:

DEAR SIR,

Re: Lew against Casey

On my return from holidays I find your letter of July 25, 1961, and answer. I have looked at section 9 of The Legislative Assembly Act and you were quite right in raising the point of your fee in this matter with respect to this section, and I wish to say at this time that on June 22 when I instructed you to appear as our agents in the defence of this action in Sudbury I was unaware of this section of The Legislative Assembly Act and I failed at that time to realize the possible implications which you seem to have fully realized. I wish to assure you of my good faith on June 22 and of my continuing good faith.

With respect to your disbursements, I was speaking to the legislative counsel and it is his feeling that the section was never intended to rob you or your firm of monies advanced on behalf of the Crown which it would appear could be properly reimbursed to your firm without violating the provisions of section 9 of The Legislative Assembly Act, but on the other hand legislative counsel will not and cannot give any assurance that a question would not be raised in the future which would certainly have an answer but which would certainly embarrass Mr. Sopha.

I regret this unfortunate turn of events and leave the decision up to you as to whether you will submit an account for your disbursements in this action.

Yours sincerely,

Then on October 24, 1961, having discussed it—just to complete the story—with my associate, he wrote this letter to The Department of the Attorney-General, re Casey ats Lew:

We have also gone over The Legislative Assembly Act and it seems to us that disbursements are not considered in the section of that Act applicable so we enclose to you at this time a list of our disbursements herein.

Yours very truly,

The disbursements of our firm in that letter were the following:

Paid for subpoena	\$ 2.00
Paid service of subpoena	10.50
Total disbursements	12.50

That was a case where we had spent—and this may amuse the hon. Minister from St. Andrew (Mr. Grossman), but I am showing by way of analogy the difficulty that legislative counsel have in interpreting that section—here we had spent our money, \$12.50, a very minor amount; I do not care if I ever get it back. We probably will.

Legislative counsel, sir, were unwilling to say, they were unwilling to say that paying me back the money I had spent on behalf of the Crown did not infringe the section. Then what of the half a million dollars that the Crown has paid out—not money advanced by the person at all—the Crown has paid out to the account of a member of this assembly?

Now, how comes this to me? I am not going to give any names, but it comes to me from people who reside in the area, who have been aware of this for ten years; aware that a member of this assembly was connected with a company which did business with the Crown, and did a large amount of business and got a large amount of money. Is there anything more calculated to shake public confidence in the elected representatives of this assembly than that a member of this assembly enters into a contract with the Crown with such vast sums of money?

If there be—and I am not saying there is, sir, I am not making any allegations of fact—I say if there be a connection between Mantane Logging Registered and Mantane Contracting Company, if there be, and there is some similarity and some grounds for suspicion, then the sum is \$1.5 million that is involved.

I do not know how much of that is profit, I do not know how fortuitously the business was carried on by these people. We are entitled to presume that they are economic men guided by good business principles, and \$1.5 million is a vast amount of money. I venture to say and I give it as my opinion as a solicitor of the Supreme Court and in safety I give it, I will venture as my opinion that there has been an infraction of section 9.

I certainly venture it as my opinion that a member of this assembly has benefited while a member of it, and the amount of money is so vast that I submit, sir, and I submit with assurance, and I submit on behalf of those in that district who are aware of it and have been aware of it for ten years—and now the whole of the people of the province will be aware of it—that it calls for an explanation. It calls for an inquiry by the government to show whether there is just cause and whether there is a reasonable

explanation why such vast sums of money should be paid by the government to a firm which contains a member of this assembly.

We on this side are concerned—we are entitled to be concerned—that the honour of this assembly be upheld; and if I advert to the facts again, the hon. members on the other side of the House, at one time in yesteryear, were concerned about the honour of the members of the assembly, and did not hesitate to say so in no uncertain terms, about a matter that pales into insignificance compared to this.

I leave it at that. Let me say in finality, in case there be those who have not heard me straight the first time: I make no charges, I make no charges at all. There are the facts. It is incumbent upon those who lead the province to give an explanation of them. I rest my case upon that, Mr. Speaker.

Mr. A. F. Lawrence (St. George): Mr. Speaker, would the hon. member answer a question? My question is: I am sure the hon. member's knowledge of parliamentary law and rules is far more than my own, but is he aware that out of courtesy to this House and courtesy to the hon. members thereof—for a matter such as he has just referred to, to be referred to the committee of privileges and elections of this House—that the hon. member should not make such statements

unless he can come out with something other than innuendoes and insinuations?

Mr. A. H. Cowling (High Park): I move the adjournment of the debate.

Mr. MacDonald: Mr. Speaker, before we adjourn, is the hon. Prime Minister (Mr. Robarts) going to refer this to the committee on elections and privileges?

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I will investigate these matters. I have not heard of them before this evening. I had no idea that any of these matters had occurred. They occurred before my time in this Legislature. I will examine these matters very carefully and decide what course of action the government will take.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, before moving the adjournment of the House, I might say that tomorrow morning we will have some third readings and I will ask the Honourable the Lieutenant-Governor to wait upon us and give Royal assent to certain bills that have been passed during the session.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11.03 o'clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, December 15, 1961

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, DECEMBER 15, 1961

The House met at 10:30 o'clock, a.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome as guests in the east gallery students from York Memorial Secondary School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Hon. J. P. Roberts moves, seconded by Hon. A. K. Roberts, that when this House adjourns the present day's sitting thereof, it do stand adjourned until a day to be named by the Lieutenant-Governor in Council.

Motion agreed to.

Mr. Speaker: Introduction of bills.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I have two questions I would like to ask. The first one I gave notice of a short time ago, I do not know whether the liquor commissioner has received it or not. It is in the nature of a supplementary question to that asked by the hon. member for Nipissing (Mr. Troy). To make the question intelligible I want to read briefly from the November 23 issue of the *Smiths Falls Record News*.

In it is a story of a recent meeting of the Smiths Falls Progressive-Conservative Association and the election of D. M. Code as the president of it. The story contains the following two paragraphs:

D. M. Code announced that there were 13 applications received to fill a vacancy at the local L.C.B.O. outlet. However, Mr. Gomme said that he has never been officially notified of the vacancy, but had learned unofficially that it would not be filled until after the first of the year.

A committee comprising G. B. Swayne, J. C. Clark and W. E. Bennett was set up

to interview the applicants when the vacancy is officially announced. This committee will report its selection to Mr. Gomme who in turn will make the necessary recommendation to the board in Toronto.

Mr. Speaker, I have two questions to ask the liquor commissioner, the hon. Minister without portfolio (Mr. Grossman). The first one: is the procedure outlined in that quotation from the *Smiths Falls Record News* the authorized procedure for hirings in the L.C.B.O.? Second: if it is not the authorized procedure, can the liquor commissioner give the House the assurance that this procedure of a committee of the local Conservative association, acting in the capacity of an employment agency for the L.C.B.O., will forthwith come to an end so that recruiting for the L.C.B.O. will be done through the authorized channels of the civil service commission?

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, as the hon. member has stated I just got this as I came into the House and I hope the hon. members are not going to feel that I am going to ask for a notice on every question that is asked. But obviously, I think, they will appreciate that I have only been in this job for four or five weeks and I am not as familiar with things as I would like to be and certainly not in a position to give opinions on questions at this stage, questions which are asked of me two or three minutes before the House sits. I will therefore have to take this as notice and I can assure the hon. member I will have an answer for him just as soon as it is possible.

Mr. MacDonald: Mr. Speaker, I think the authorized channels for appointments to the civil service are very clear. My supplementary question—I know hon. members are very sensitive on this—

An hon. member: We are not sensitive.

Mr. MacDonald: My supplementary question to the liquor commissioner is: since this is clearly in violation of the authorized channels, can he give us the assurance, after

looking into it, that he will take steps to see that the unauthorized hiring by the local Conservative associations will end?

Hon. Mr. Grossman: Mr. Speaker, I do not even know as to the authenticity of this report. I do not even—

An hon. member: There are some things printed in the newspaper about the hon. member that even I do not believe.

Hon. Mr. Grossman: Mr. Speaker, none of these names is familiar to me except the name of Mr. Gomme. I did not even know that D. M. Code is, as the hon. member has stated, president of the Conservative association because, while that may be in the news report, it is not in his question. I cannot give opinions on these things until I discuss it with my officials and I do not intend to, because when I do give an answer I want it to be correct.

Mr. MacDonald: My second question is to the hon. Attorney-General (Mr. Roberts).

I am informed that the Victoria & Grey Trust Company of Owen Sound and the British Mortgage Company in Stratford have approved lists of insurance companies whose coverage they are willing to accept and none other. Would the hon. Attorney-General confirm whether this is correct?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I have requested the superintendent of insurance to look into this question and he has given me at least a partial answer. The matter of what insurance companies' policies will be accepted by mortgage trust companies is not a matter of government control, it is entirely a matter of company policy and is not subject to government control. It is obvious that to answer the questions he would have to make some specific inquiries; he has no specific information on the individual companies having approved lists of insurance companies but he is of the view that there are quite a few. He says that mortgagees generally feel they have the right to require insurance policies from companies approved by them.

The suggestion is that some of these companies have not been ready to approve United States insurance companies who have recently entered Ontario, and possibly this question was inspired from those sources.

Mr. L. Troy (Nipissing): Mr. Speaker, I notice, probably it is an expression of the Christmas spirit, but you gave the hon. mem-

ber for York South (Mr. MacDonald) an opportunity to elaborate on the question. I had one too, you will recall, to the chief commissioner and it was not intelligible to him. I can readily understand that, but when I—

Mr. Speaker: Does the hon. member have a direct question? Order!

Mr. Troy: My question is, are we allowed to elaborate on statements, on questions, or not? In this particular one the hon. member for York South was; I was not.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Minister of Reform Institutions (Mr. Haskett):

1. Is there any truth in reports now current that an employee of the Metropolitan Toronto Don Jail is being threatened with dismissal because, his hair having turned prematurely grey as a result of a gas explosion, he took steps to have its colour restored?

2. If so, will the hon. Minister assure the House that he will intervene to prevent this apparent abuse of disciplinary power and interference in the personal affairs of an employee?

An hon. member: That is an internal matter, there is nothing of a public nature.

Hon. I. Haskett (Minister of Reform Institutions): Mr. Speaker, I did receive notice of this question by the hon. member for Woodbine (Mr. Bryden), and I am sorry to say it came to my office just as I was gathering up the papers to come to the House this morning. It was the first intimation I have had of any such problem existing, so I am not able to answer at this time nevertheless, but I have asked that an inquiry be made through the office regarding it.

The second part of the question is purely hypothetical and I would not attempt to answer it. I just hope that the hon. member, if I may make a supplementary answer, is not using this question period as a vehicle to make a subtle suggestion.

Mr. Bryden: Mr. Speaker, I would think that the hon. Minister requires something more than subtle suggestions.

Mr. J. A. Fullerton (Algoma-Manitoulin): Mr. Speaker, before the orders of the day, I wish to rise on a question of personal privilege affecting me in my capacity as a member of this House.

Last night the hon. member for Sudbury (Mr. Sopha) addressed the House. I was present during the first portion of his remarks, as the hon. member well knew. Then I left the chamber and after my departure he assailed my rights to sit as a member of this House and brought into question my personal integrity.

It is my hope that all hon. members of this House will concur with my suggestion that this entire matter be referred at the earliest possible opportunity to the committee on elections and privileges. In the meantime, and in view of the delay that such procedure would involve, I hasten to ask the opportunity to deny categorically the insinuations made by the hon. member. I affirm that there is absolutely no wrong in what I did.

The events referred to by the hon. member occurred some 11 or 12 years ago. In order that my recital of the facts shall be made perfectly accurate, I have arranged that all relevant files and documents be forwarded to me in Toronto. I will also arrange to discuss the matter with the appropriate member of the law firm of the late hon. Senator McGuire, who provided all necessary legal advice to me at the time of the transaction mentioned. This means that I shall be in a position to make a public statement next week which will establish the falsity of the hon. member's claim.

In the meantime, I cannot refrain from referring to the behaviour of the hon. member from Sudbury in withholding his remarks until after I had left the House at a late hour last night.

The documents which he tabled with such a flourish are all public documents available to any person in Ontario and have been available for the past 12 years. The hon. member has had them in his possession since July 27, 1961, and he waited until last evening, just before the adjournment of the House, which is to take place, I understand, today, before using it.

The various announcements which he made are completely and entirely groundless. His attitude and what he has done demonstrates clearly the reason why he is held in contempt in this assembly as a sneak.

Hon. J. P. Robarts (Prime Minister): Before the orders of the day, I would like to address a few remarks to the transaction which was referred to by the hon. member for Sudbury (Mr. Sopha) in his contribution to the Throne speech debate last night. I would like to congratulate the hon. member for Algoma-Manitoulin (Mr. Fullerton) for

the statement he has just made and the manner in which he has faced the allegations and insinuations, because I notice that the hon. member was very careful to say that he was making no charges.

But in order to understand the situation—and the references that were made here last night, in my opinion, to some extent at least, implicate the government of that day and the course of action which it followed—I therefore propose to give to the hon. members of the House a fairly full and complete story of the transaction of those days of long ago, because this transaction had its beginning back in 1948, over 13 years ago.

On May 25, 1948, two fires were reported in the Mississagi provincial forest. One was discovered about 100 feet from the Chapleau highway clearing in township 8D, 25 minutes after it started. Brush burning had been in progress nearby on the previous day. The other fire started in township 3D, near the headwaters of Sharpsand River, a branch of the Mississagi, at a location very difficult to reach.

Due to extremely high fire hazard both fires were out of control the following day. No wetting rain had fallen for months previous and the subsoil was dry due to long subnormal precipitation. Humidity on the day following the outbreak was 18 per cent, with 35 miles per hour wind at the nearest weather station, located at Ranger Lake. Eventually both burnt areas joined southwest of Peshu Lake in township 4D.

The main fires were considered under control near the end of June, but dry conditions again prevailed and outbreaks from smouldering material occurred during most of July.

On July 24, the Chapleau fire was reported officially out, and the Mississagi on July 31.

The direct additional cost to the government in extra firefighters' wages and other suppression expenses on forest fires that year amounted to \$1.715 million, the greater proportion of which applied to these two fires. At one stage 1,538 extra firefighters were employed on these two fires alone.

The final fire reports on these fires showed 645,450 acres of forested land, mostly in the Mississagi provincial forest, in 54 townships exclusive of lakes, had been swept over by fire. Seventy-five per cent of this area was in mature forest types. Timber damaged was estimated at 230 million feet of white pine, 81 million feet of red pine and 151 million feet of jackpine. Though not estimated, a large volume of spruce and jackpine pulpwood throughout the fire area was also destroyed. The intensity of the fire varied from

complete destruction of standing timber from both crown and ground fires, to areas run over by ground fire only and within the fire area were small patches of timber which escaped fire damage.

The burned area roughly corresponded with the forest in which most the balsam was infested with or dead from the spruce budworm. This dead material contributed to the rapid spread of the fire and added to the difficulty of suppression.

Logging of the more accessible timber along the Mississagi and White Rivers and their branches has been carried on for decades. However, rough terrain and the longer hauls to the rivers has left what was the second largest reserve of white and red pine in Ontario.

In the next section of this we will deal with preparations that were made for salvage.

Before the fires were under control it was realized the loss to the people of Ontario if this large amount of white and red pine were not saved. With this in mind, representatives of The Department of Lands and Forests held a meeting on June 30, 1948, in North Bay to formulate a plan. It was evident that operators in the area could salvage but a small part of the fire damaged material. It was obvious also that if salvage was carried out on a scale warranted by the estimated amount of merchantable timber, the government would have to take the initiative. With this in view the following recommendations were reached at this meeting:

(a) Contact operators in the immediate vicinity of the burnt area to determine what they might undertake.

(b) Sketch the burnt area to delimit parts having no salvage value and those carrying merchantable timber, the merchantable areas to be graded to the degree of burn.

(c) Photograph the burnt area to provide a means of planning and controlling operations.

A memorandum to the Minister of Lands and Forests dated June 23, 1948, incorporated the above recommendations. Immediately a sum of \$44,500 was approved for aerial sketching and photography.

The lumber industry as a whole did not manifest any particular enthusiasm over salvage operations on their part. The reasons advanced were higher costs and lower values anticipated. Many firms already had their working capital tied up in their own operations and market conditions were less certain than they had been during the war period.

A field party from the forest insect laboratory, Sault Ste. Marie, explored the burned area in the first part of August, 1948, to estimate the damage already done by wood borers. This and later investigations by the laboratory, over the next few years showed that, of the trees killed outright in 1948 during the fire, about 75 per cent of the jackpine, 50 per cent of the white pine and 25 per cent of the red pine were attacked by wood borers within the two months, based on examinations of the lower trunks. Few trees that were fire damaged but retained green foliage were attacked. Nine species of borers were found in damaged trees but species of *monochamus* caused most of the economic damage.

Further investigations showed that by 1953 practically all sapwood and some heartwood of the trees killed in 1948, were rotted by fungi. This amounted to roughly 50 per cent of the volume in red pine in some cases, and less in the case of white pine and jackpine.

In November, 1949, the laboratory carried on an investigation in losses in lumber values due to degrade caused by rot, stain and borer holes that could be attributed to fire damage. Lumber used was from logs which were salvaged from the burned area. This loss in lumber value was based on the present grade as compared to what its grade would have been if it had been cut before the fire. All grading was done by a leading lumber grader of the white pine bureau. In white pine the loss in values ranged from 2.4 per cent for trees that died in 1949 due to the effect of the fire, to 62 per cent in high-grade trees killed at the time of the fire in 1948. It was less in red pine and least in jackpine. As the lumber from the jackpine would have graded very low if manufactured prior to the fire—due to incipient decay that is associated with overmaturity—the additional degrade due to fire damage was quite moderate.

Aerial sketching was completed before the end of July. Sketch maps which were prepared, indicated that most of the area was severely burned but huge quantities of fire-killed timber remained. Photographing of the burnt area was completed in the first part of August, 1948. Photographs and sketch maps were then used to lay out logging chances based on concentration of timber, topographic features and accessibility. Roads into each logging camp were also laid out from the photographs.

To check the estimates and location of these logging chances, parties from the forest resources inventory group took sample plots

on each. For this work, bases were established at Peshu and Flame Lakes. Aircraft were used extensively. In all, 50 saw-log and pulpwood logging chances were laid out and most of these were sampled. The Department of Lands and Forests office at Thessalon became the headquarters for all salvage operations.

To advise operators desiring to log this salvage timber the following "Notice of Intention" was inserted on August 3, 1948, in papers in Toronto, Pembroke, North Bay, Sudbury and Sault Ste. Marie. And I quote:

Notice of Intention: During the week of August 16th consideration will be given to applications for the right to salvage timber damaged by fire on the Mississagi provincial forest. Maps and operating conditions may be examined at the office of The Department of Lands and Forests at Toronto or Thessalon.

And that is dated at Toronto, July 29, 1948.

All parties who wrote in or inquired about salvage timber were given or mailed a set of operating conditions. These operating conditions outlined the two methods by which royalties could be paid. (a) by a tendered price per thousand log scale or (b) by a percentage of the sale price of the lumber. Tenders were to close on September 7, 1948.

There were many inquiries in response to the above advertisement, but by September 7, 1948, only a few deposits by tenderers had been made on a few logging chances. It became evident that financing was the problem confronting operators. If salvage operations were to be financed through regular channels, only a very small amount would be cut.

Banks seemed hesitant to finance the salvage and fire-killed timber due to general market conditions, high labour costs, and the risk of it sawing out much low-grade material.

Also, loans on these salvage operations would exceed the usual 12 months.

The Minister of Lands and Forests outlined these problems to the Cabinet council. He stressed the necessity of working capital if this valuable timber was to be salvaged in appreciable quantities in the season 1948-49. He explained the risks involved as outlined above, including the usual higher risks attendant to the salvage of fire-damaged timber.

The outcome of this meeting was the calling together of the budget committee with

representatives of The Department of Lands and Forests. This group was unanimous in recommending that the salvage of this fire-damaged timber should be proceeded with, even at the risk of considerable cost to the government, and the following recommendations were submitted for approval:

1. Timber operators will be asked to carry out the whole operation from bush to the completed product and, in order to assist with the necessary financing, the government will offer (a) to advance \$1.50 for each log of red and white pine, and 75 cents for each log of jackpine and spruce when they are in the water; (b) to pay one-half, or such greater proportion as the Minister of Lands and Forests may determine, of the cost of constructing some 67 miles of roadways, estimated to cost \$3,000 per mile; and (c) to undertake with any banks concerned not to insist on its priority for Crown dues on such timber as is brought out ahead of the repayment of such bank.

2. Alternatively, timber operators will be asked to tender upon cost of felling, bucking, skidding and hauling logs to designated water. It was also agreed that inclusive with these recommendations will be the proposal that any operators who had already tendered in respect to salvage operations would be given the opportunity of tendering upon the basis outlined above.

An order-in-council, incorporating the above recommendations, was approved on September 13, 1948. It also provided a sum of \$1.5 million to cover the financial obligations of these recommendations for the remainder of the fiscal year and previous expenditures made on behalf of salvage operations.

On the strength of the above-mentioned order-in-council the following advertisement was inserted in newspapers in Toronto, Pembroke, North Bay, Sudbury, Sault Ste. Marie, Timmins, Port Arthur, Fort William, Kirkland Lake and Lindsay. The advertisement was as follows:

Department of Lands and Forests invites tenders for the delivery of logs into water that have been damaged as result of fire which burned over parts of the Mississagi provincial forest.

A supplementary set of operating conditions incorporating the recommendations of the order-in-council mentioned above was drawn up. These conditions outlined the two schemes by which operators could log salvage timber, with the government supplying the working capital by way of loans. Conditions were also included whereby the government

would assist up to \$1,500 per mile to build access roads. Persons inquiring to the above advertisement and all district offices were supplied with copies of the supplementary operating conditions.

By October, 1948 all saw-log chances as laid out, had been tendered on and accepted. Only three small pulpwood chances remained open for tenders.

Agreements of two types were signed with all operators whose tenders were accepted. Some of these covered several logging chances, while others covered only part of one chance. Only fire-damaged timber was to be cut. All agreements covered the operating season 1948-49 only.

Thirteen operators signed agreements with the government under scheme (a) in which the operators agreed to cut, haul and saw the logs into lumber and dispose of the finished product. Crown dues were to be paid on the log scale or as percent of the sale price of the lumber. Six operators signed agreements with the government under scheme (b) in which the operator watered logs at a tendered price per thousand log scale on account of the government. Under both schemes advances were made when the logs were on skidways and another advance when the logs were in designated water in safe storage under scheme (a) or a final payment under scheme (b).

Under scheme (a) the operators were to water as much timber as possible before July 1, 1949. Road construction assistance was also agreed upon under both schemes as outlined above. Under scheme (a) interest at five per cent was to be charged on advances after 12 months.

In two areas where more than one operator used the same access road the government paid the total cost of construction and built each by contract. These roads were considered to be of permanent value. One was the Rapid River Road to Toodee Lake of nine miles in length, the other was approximately 16 miles long up the Kindiogami River to Kindiogami Lake from the White River Road.

All agreements called for monthly financial statements of the operation. These were required before advances could be made so as to protect the government's interest in the logs. Provision was made to assist operators in making these statements by trained men of The Department of Lands and Forests, who visited each operator's camp and showed the clerks how to make them up according to a prescribed outline. Of the 19 salvage operators logging on the burnt area, three were in the Chapleau district with access to

Chapleau; ten on the Mississagi watershed with access by the Mississagi road; the remaining six were on the Little White River watershed north of Mount Lake with access by the White River road.

Soon after operations began, it was evident that the Mississagi and White River roads and bridges would need considerable repair and several new bridges, caused by the increased traffic. This work was undertaken by The Department of Highways. Snowploughing of these roads was mostly carried on by The Department of Highways. Operators kept their access roads open. In December, 1948, the last link of the Mississagi-Chapleau highway was pushed through as a winter road. This connected the operations in the Chapleau district to those on the Mississagi watershed.

The next deals with production of these operations.

Woods operations were delayed in starting due to the lateness of the season when the access roads were built, and because of mild wet weather in November and December. By mid-November cutting had begun on all but two or three operations. In the third week of November, 1948, approximately 38,000 logs were cut and skidded. At this time 23 tractors, 50 trucks, 307 horses and 1,076 men were engaged on all salvage work. Production increased rapidly after freeze-up. The weekly peak was reached in the last week of January, 1949, when 1,814 men, 645 horses, 44 tractors and 95 trucks produced 77,442 logs on skidways, scaling 4,550,000 feet, Doyle rule.

Hauling commenced in January on most chances. Lack of time to prepare suitable haul roads in the preceding autumn, plus lack of snow and soft weather in January, hampered hauling all season. When the break-up came in April many logs were still on skidways. Truck hauling was resorted to in May and June as soon as the roads dried up and new roads could be built to haul logs left in the bush plus those cut in spring operations.

All cutting under agreements for the season 1948-49 was stopped in the first part of July, 1949. Total production for the season 1948-49 was 1,671,734 logs scaling 96,701,742 feet, Doyle rule. Logging operations in the salvage area continued for three more seasons until the end of the 1951-52 season. After this season rot and worms had degraded any remaining salvage timber to such an extent that it was not worth the cost of cutting.

Total woods production up to November 30, 1954, from the whole salvage operation was 191,767,273 feet Doyle scale, plus 123,111.07

cords of pulp wood and 18,629 cubic feet of poles.

Milling and marketing fell into four general categories:

First, operators whose log production was financed by the government but who milled and marketed the lumber themselves;

Second, operators whose log production was not financed by the government but who milled and marketed their own lumber;

Third, operators whose production was financed by the government but sold their lumber to the government;

Fourth, the processing of logs produced on account of the government under logging contracts.

The following shows the production in each category:

In the first category, sawlog production f.b.m. Doyle rule, 54,590,122.

In the secondary category—19,471,967; in the third category—29,482,718, and in the fourth category—88,222,466.

Lumber production in f.b.m. mill scale: In the first category—72,013,229; in the second category—25,313,557; in the third category—38,892,489 and in the fourth category—114,900,832.

Pulpwood cords in the first category—81,011.81; in the second category—42,099.26. In cubic feet of poles in the first category—14,747; and in the second category—3,882.

These make totals of sawlog production, f.b.m. Doyle rule, of 191,767,273; of lumber production in f.b.m. mill scale of 251,120,107; pulpwood cords at 123,111.07, and in cubic feet of poles—18,629.

As several operators marketed part of their lumber themselves and sold the remainder, their production is divided between the first and third categories. Involved in these two categories were 11 operators. On lumber sold on the open market, royalties were paid as the lumber was shipped either on a basis of log scale or a percentage of the sale value.

Involved in the second category were one larger operator and several small ones. Royalties were also paid on a basis of log scale or on the percentage of the sale price of the lumber.

Involved in the fourth category were 11 contractors producing sawlogs for the government under contract at six concentrations. At the largest of these around Rocky Island in Rouelle Lakes, 34,343,835 feet Doyle rule was produced. Of this amount approximately 29,896,666 feet Doyle scale was manufactured and marketed entirely by the J. J.

McFadden Lumber Company Limited of Blind River. These logs sawed out 38,267,733 feet mill scale.

This company undertook to drive the logs to its mill at Blind River and to saw, sort, treat for stain, pile out and market the lumber. The proceeds from the net return of the sale of the lumber was to be divided between the Crown and the company. To illustrate, a net value of \$60 per thousand feet would return \$25.50 or 42½ per cent to the government and \$34.50 or 57½ per cent to the company. For every \$1 increase in the net sale price in an average monthly sale, the government's share increased one-half of 1 per cent and the company's share decreased by the same percentage. The net mill return to the department was \$28.49 per thousand mill scale on this lumber.

The other concentrations of logs amounting to 53,806,453 feet Doyle rule were sawn under contract by portable mills at the log concentrations—except for an estimated 6,072,000 feet, mill scale, that was sawn and sold on the open market by one operator.

The lumber industry as a whole was concerned over the possibility of a large volume of lumber over and above normal production being dumped on the market. The government too realized this danger and, when a plan was submitted by one of the companies, experienced in white and red production marketing, to overcome this problem, the government willingly considered it and entered into a formal agreement for the operation of a wholesale lumber concentration yard near North Bay.

An agreement between the company, the Great Northern Woods Company Limited, and the Crown, provides that the company would undertake to: 1. Build and establish the concentration yard for the processing of government owned lumber only. 2. Supervise the sawing and shipping of this lumber to the concentration yard on account of the government. 3. Grade, tally, pile and ship out, as sold, this lumber at the risk of the government. 4. Assist in the sales of the lumber. 5. Establish a dressing plant in this concentration yard for general custom dressing.

By this agreement the government would undertake to: 1. Furnish capital to build this concentration yard by way of a capital loan up to \$180 million. 2. Pay all operating expenses of this yard except those incurred in connection with the dressing plant. 3. Pay the sum of \$10,000 per annum for supervision for the duration of this agreement; and 4. Pay

a charge of \$24,000 per annum as fee for the duration of this agreement.

This agreement was for four years. During this period the capital loan was to be reduced by the following sums per annum:

(a) maximum normal depreciation rates as allowed by The Department of National Revenue on the actual cost of the yard and all equipment, and

(b) the annual fee of \$24,000;

(c) profits from the operation of the dressing plant.

The balance of the capital loan still owing at the expiration of this agreement was to be repaid by the company within six months. This agreement expired on November 30, 1953. The company consented to carry on operations on a fixed fee of \$12.50 per thousand until all government-owned lumber was sold.

By October 31, 1953, all sawing of logs at all locations was completed. All merchantable grades of lumber had been shipped from all mill yards by November 30, 1954. On this latter date there were 4,551,600 feet mill scale of lumber still to be shipped from concentration yards run by the company. Of this amount 2,215,200 feet, mill scale, has been disposed of by pro forma but remains in yards to be shipped as ordered.

In all a total of 109,022,808 feet, mill scale, was shipped to the Great Northern Woods Company Limited from mill yards.

The first year's operation, i.e., during the 1948-49 season, was concentrated on fire-killed timber only. The following year's effort was to recover values from areas which suffered from ground fires only. On these areas the timber was partly dead or dying—the butt log in most cases had been damaged. For the final cut or during the 1950-51 season green timber occurring in unburned patches was cut. These areas were not sufficient in themselves to justify a separate operation apart from the salvage. Some small clean-up operations were carried on into the 1953-54 season.

Mr. Speaker, that is the background from the government's point of view of the operation which was discussed here last night in relation to a certain company. It is my intention to refer this matter to the committee on privileges and elections upon the resumption of the sitting of this Legislature.

I would like to point out that this information was not produced until the last possible moment, and I had noticed that the same date is mentioned by the hon. member for Algoma-Manitoulin (Mr. Fullerton). The

photostat of a true copy of the partnership agreement, which was registered in the registry office for the registry division of Algoma on June 8, 1949, and which was mentioned by the hon. member for Sudbury (Mr. Sopha) last night, that certified copy was obtained on July 27, 1961. We have been in session here for over three weeks but no mention of this matter was made until some time after 10.30, or perhaps 10.15 last night.

I just draw this to the attention of the House. I announced in this House that we would attempt to complete this part of the session today. I made this announcement earlier in the week, and I am going to suggest that this charge, although the hon. member was very careful to say that he was not charging anyone, but I am going to suggest that this has been done deliberately and it has been brought forward at this time for the purpose of embarrassing the hon. member for Algoma-Manitoulin (Mr. Fullerton) and for the purpose of embarrassing this government in the time we have available to deal with these charges.

However, in order to make the story complete, I will refer to a section of The Legislative Assembly Act, because there were several references made to this Act last night, and it seems to me that this should go on the public records.

Section 10 of The Legislative Assembly Act says:

No person is ineligible as a member of this Assembly—

And then is listed (a), (b), (c), (d), (e); and it is (f) in which I am interested, so I will read this again:

No person is ineligible as a member of the Assembly by reason of his holding a licence, permit or permission for cutting timber or being interested in any such licence, permit or permission, directly or indirectly, alone or with another, by himself or by the interposition of a trustee or third person, or by reason of there being money due or payable to Her Majesty in respect of the timber cut but no such person shall vote on any question affecting such licence, permit or permission or in which he is interested by reason thereof.

That is why, Mr. Speaker, I have gone into the background of this transaction from the government's point of view. Undoubtedly there are rather unusual elements in this transaction. They arise because of the interest of the government in that day in salvaging for the people of this province

and for the province such amounts as they could, as I have stated here today, from a straight national disaster known as the Mississagi fire.

These letters can all be investigated very carefully before the committee on privileges and elections. All these accounts were audited by the provincial auditor. The Department of Lands and Forests has complete records to back every statement I have made this morning and, as the government, we will welcome the opportunity to go into this matter very fully in due course.

Mr. E. W. Sopha (Sudbury): On a matter of privilege, sir, I want to draw the attention of the hon. Prime Minister (Mr. Robarts) to the fact that the document before him which photostated the registration, says that the photostat was prepared in July 27, 1961. It says nothing about when it came into my hands.

Secondly, sir, I raised this matter in this Legislature at the first opportunity given me, when I first participated in the Throne debate. At no previous time during the sitting of this Legislature might I have properly raised it.

Three, I treat the phrase used by the hon. member for Algoma-Manitoulin (Mr. Fullerton) "he was held in contempt as a sneak" as a term of opprobrium. I resent it. I ask you to rule and find, sir, that it is unparliamentary and that you direct him to withdraw it and let it be stricken from the record.

Mr. Fullerton: Mr. Speaker, I can think of no better description for such a reptile.

Mr. Sopha: Mr. Speaker, how long does this go on?

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, you have been requested to rule in conjunction with the matter of privilege.

Mr. Speaker: I realize that.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day—

Mr. Wintermeyer: Just a minute.

Hon. Mr. Robarts: Are we waiting for a ruling?

Mr. Speaker: In view of the fact that many similar remarks have been passed in this House over the years I have attended it, I think possibly the time has come, not for the hon. member in question but for all hon.

members of this House, to be very careful in the language which is used. I think matters can be expressed without using improper language. I believe at this time that I would respectfully request the hon. member to withdraw the remark so that it could be stricken from the record.

Mr. Fullerton: I will bow to your request, Mr. Speaker, but I still can think.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, speaking to the point of privilege which has been raised, the hon. member for Sudbury (Mr. Sopha) has said that this is the first opportunity he had to raise this matter.

Mr. Wintermeyer: Mr. Speaker, the hon. Minister (Mr. Macaulay) is not involved; this is not his privilege at all.

Interjections by hon. members.

Mr. Speaker: Order, order.

Hon. Mr. Macaulay: Mr. Speaker, as a point of privilege and as a member of this House, my point of privilege is that I object to an hon. member in this House raising a point of privilege during the Throne debate which affects the right of an hon. member to sit in this House. It is one of the privileges and responsibilities of every hon. member of this House to treat our rights, our dignity and our privileges in relation to this House with the highest of integrity. This means to treat it that way and not use it as a political weapon, and it should have been raised at the very first opportunity.

Unless the hon. member can state to this House now that this matter just came to his attention, it should have been drawn to the attention of this House as soon as he had the information.

Hon. Mr. Robarts: Before the orders of the day, if I can get back to the business of the government, I would like to make a statement concerning the university affairs committee.

Nearly a year ago my predecessor reconstituted the university affairs committee which had been concerned with the study and assessment of university financial needs and the co-ordination of university expansion. I was appointed chairman of that committee, but it was recognized that my tenure would be for only a short time until the committee's work was well under way after which a chairman would be appointed from outside the government.

I am pleased to announce to the House that Chief Justice of Ontario, the Honourable Dana Porter, has agreed to preside as chairman of this committee. Chief Justice Porter is eminently qualified for this position. He is not only a former Minister of Education, but a member of the board of governors of our largest university and is chancellor of another university.

I am also pleased to announce that the hon. member for Victoria (Mr. Frost), who has been closely identified with the expansion of our provincially assisted university family, which has grown from four to 13, including the new universities of Assumption, York, Laurentian and Waterloo, has been prevailed upon to serve as a member of this committee.

I know hon. members will all agree with me when I say we are very fortunate indeed in having the hon. member for Victoria, with his immense knowledge of and very long experience with universities and their problems and with his intimate knowledge of our secondary school system, serving on this committee. He has asked that he serve without remuneration.

The members of the committee are as follows:

The Honourable Dana Porter, chairman; Mr. Floyd S. Chalmers, the Honourable L. M. Frost, Mr. G. E. Gathercole, Senator D'Arcy Leonard and Mr. R. W. Mitchell; and I, of course, will resign.

The origin of the university affairs committee goes back about 15 years when it was felt that there should be more liaison of planning in connection with our universities. Because of the projected growth of our university population and anticipated financial requirements, the government appointed Dr. Wallace of Queen's University, in the capacity of co-ordinator of university affairs. He was succeeded at his death by Dr. Aulhouse who also carried on in an informative way until his own death. Mr. Porter, then Provincial Treasurer, was subsequently appointed to the office.

This experiment was considered so successful that a special university committee composed of senior civil servants and chaired by the chief director of education was established in 1957. It was later decided that the government should also avail itself of the experience and advice of men outside the civil service who had a broad knowledge of the overall university development in this province and who had been associated in one or another capacity with our leading universities.

Accordingly, a new university affairs com-

mittee, composed of citizens outstanding in the business and professional life of our province, was set up late in 1960. In addition to the membership which I have just mentioned, and to add further strength to its work, the members of the earlier civil service committee continue to serve as a technical committee to prepare data and render technical assistance to the university affairs committee.

The university affairs committee is empowered to study all matters concerning the establishment, development, operation and expansion and financing of the universities in this province and to make recommendations to the government thereof.

Mr. Speaker, before sitting down I would just like to say that in the year in which I worked on this committee, I have become very aware of the immense problems which face us in this province as far as our universities are concerned. We face a doubling, at least, of our undergraduate population in the decade between 1960 and 1970. This, expressed in terms of physical plant, expressed in terms of competent and able instructors and professors, poses truly an enormous problem.

This committee can do a very large job of examining minutely the details of future requirements. This involves a tremendous amount of research into secondary school population and, indeed, elementary school population, and its concentration, in order that we can provide facilities for university education in the areas in which they will be needed.

I am delighted with the personnel of this committee and I can only assure the House that they have a very large job to do for the province. I am quite confident that they will do it well.

Mr. Troy: Mr. Speaker, may I ask a question of the hon. Prime Minister (Mr. Robarts) in this regard? In the months that this committee has been sitting, have they considered yet the application of the people in North Bay for the establishment of a university there? The hon. Prime Minister will recall that he, at the private bills committee, had said that this matter would go to this university committee. Months have gone by now. Have they reached a decision yet?

Hon. Mr. Robarts: Mr. Speaker, the matter has been discussed by the committee but no decision has been made.

Hon. Mr. Grossman: Mr. Speaker, before the orders of the day, the other day the

hon. member for Nipissing (Mr. Troy) asked a number of questions which I said at that time I would take notice of. I am now prepared to answer.

At that time he asked: When temporary employees are to be taken on the staffs for rush periods does the board direct its supervisors or vendors to ascertain: (a) if there are in the municipality concerned any men suitable for such employment who are drawing unemployment insurance benefits? The answer to that is that applicants' employment status is ascertained by the L.C.B.O. officials before hiring. (b) If there are any men suitable for such employment who are on the relief rolls of the municipality? The answer to that is, preference is given to unemployed men and veterans.

Question 2: Does the board then direct its supervisors, et cetera; that is already answered by the first two answers.

Question 3: Were such inquiries made before temporary employees were recently taken on the staff of the retail outlet at Mattawa, and my information is that the answer to that is "Yes."

Question 4: Does the Minister approve of or condone the practice of employing temporarily at retail outlets men who are already gainfully employed, the practice known in the vernacular as "moonlighting"? And the answer to that is "No."

Mr. Troy: Mr. Speaker, do I understand the chief commissioner to say that the employees that were taken on at the retail outlet at Mattawa this year were unemployed? I understand from the mayor of Mattawa that the municipality is quite concerned that one of the employees there is an accountant, he works for the D.B.S. in Ottawa, his wife is a teacher, and—

Hon. Mr. Grossman: Is that a question or an answer the hon. member is giving?

Mr. Speaker: Orders of the day.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 18, An Act to amend The Division Courts Act.

Bill No. 19, An Act to amend The Fire Marshals Act.

Bill No. 24, An Act to amend The Police Act.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, could I make one small remark concerning this third reading. I had hoped this morning to make a statement giving names of the outstanding personnel whom I propose shall be appointed to the police commission that is embodied in this bill. Owing to the fact that the third reading is just now being given to the bill establishing the commission, it has not been possible for me to complete this arrangement.

But I hope within a very short time to make an announcement of the appointment of the chairman and members who will be outstanding in ability, experience and integrity, and such as will ensure Ontario will be an unhealthy place for those of the criminal ilk and will also assure that anyone who contemplates coming here will change their mind and in the event of such element being here, that they will either hastily vacate or else run the almost certain eventuality of going to jail.

Bill No. 39, An Act to amend The Department of Labour Act.

Bill No. 40, An Act to amend The Vital Statistics Act.

Bill No. 41, An Act to amend The Corporations Act.

Bill No. 42, An Act to amend The Corporations Information Act.

Bill No. 43, The Income Tax Act, 1961-62.

Bill No. 48, An Act to amend The Milk Industry Act.

Hon. Mr. Robarts: Mr. Speaker, with your permission I will now leave the House and wait upon his Honour the Lieutenant-Governor (Mr. Mackay).

The Honourable the Lieutenant-Governor entered the chamber of the legislative assembly and took his seat upon the Throne.

Mr. Speaker: May it please Your Honour, the legislative assembly of the province has, at its present sittings thereof, passed several bills to which, in the name and on behalf of the said legislative assembly, I respectfully request Your Honour's assent.

Assistant Clerk of the House: The following are the titles of the bills to which Your Honour's assent is prayed:

An Act to confirm The Revised Statutes of Ontario, 1960.

An Act to amalgamate The Department of Economics and Federal and Provincial Relations and Department of Commerce and Development.

An Act to amend The Ontario Parks Integration Board Act.

An Act to amend The Conservation Authorities Act.

An Act to amend The Parks Assistance Act.

An Act to amend The Provincial Parks Act.

An Act to amend The Forest Fire Prevention Act.

An Act to amend The Forestry Act.

An Act to amend The Fish Inspection Act.

An Act to amend The Bailiffs Act, 1960-61.

An Act to amend The Coroners Act.

An Act to amend The Crown Attorneys Act.

An Act to amend The Devolution of Estates Act.

An Act to amend The Division Courts Act.

An Act to amend The Fire Marshals Act.

An Act to amend The Jurors Act.

The Legitimacy Act, 1961-62.

An Act to amend The Master and Servant Act.

An Act to amend The Mechanics' Lien Act.

An Act to amend The Police Act.

An Act to amend The Reciprocal Enforcement and Maintenance Orders Act.

An Act to confirm The Revised Regulations of Ontario, 1960.

An Act to amend The Summary Convictions Act.

An Act to amend The Trustee Act.

An Act to amend The Dentistry Act.

An Act to amend The Sanatoria for Consumptives Act.

An Act to amend The Air Pollution Control Act.

An Act to amend The Cancer Act.

An Act to amend The Public Health Act.

An Act to amend The Department of Labour Act.

An Act to amend The Vital Statistics Act.

An Act to amend The Corporations Act.

An Act to amend The Corporations Information Act.

The Income Tax Act, 1961-62.

An Act to amend The Milk Industry Act.

To these Acts the Royal assent was announced by the assistant clerk of the legislative assembly in the following words:

Assistant Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant-Governor doth assent to these bills.

The Honourable the Lieutenant-Governor was please to retire from the chamber.

Hon. Mr. Robarts: Mr. Speaker, before moving the adjournment of the House may I wish to all the hon. members here a very merry Christmas and a happy new year. We will see all hon. members again in the new year.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 12.01 p.m. until the date to be named by the Lieutenant-Governor in Council.



ERRATUM

(Friday, December 15, 1961)

<i>Page</i>	<i>Column</i>	<i>Line</i>	<i>Correction</i>
497	2	55	Change to read: up to \$180 thousand. 2. Pay all operating ex-



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, February 20, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1962



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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 20, 1962

The House met at 3 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome as guests students from the following schools: in the east gallery, Western Ontario Agricultural School, Ridgetown; and North Agincourt Public School, Agincourt. In the west gallery are St. Mary's Separate School, London; and Brock District High School, Cannington.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the adjournment of the House:

Electoral district of Beaches: Robert John Harris.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-first day of November, 1961, issued by the Honourable Lieutenant Governor of the province of Ontario, and addressed to Paul Oetiker, Esquire, returning officer for the electoral district of Beaches, for the election of a member to represent the said electoral district of Beaches in the legislative assembly of this province, in the room of William H. Collings, Esquire, who, since his election as representative of the said electoral district of Beaches, hath departed this life, Robert John Harris, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the fourteenth day of February, 1962, which is now lodged of record in my office.

(signed)
RODERICK LEWIS,
Chief Election Officer.

Toronto, February 20, 1962.

Robert John Harris, Esquire, member for the electoral district of Beaches, having taken the oaths and subscribed the roll, took his seat.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the adjournment of the House:

Electoral district of Brant: Robert F. Nixon.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-first day of November, 1961, issued by the Honourable Lieutenant Governor of the province of Ontario, and addressed to John

P. Fraser, Esquire, returning officer for the electoral district of Brant, for the election of a member to represent the said electoral district of Brant in the legislative assembly of this province, in the room of Harry C. Nixon, Esquire, who, since his election as representative of the said electoral district of Brant, hath departed this life, Robert F. Nixon, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the twenty-fifth day of January, 1962, which is now lodged of record in my office.

(signed)
RODERICK LEWIS,
Chief Election Officer.

Toronto, February 20, 1962.

Robert F. Nixon, Esquire, member for the electoral district of Brant, having taken the oaths and subscribed the roll, took his seat.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the adjournment of the House:

Electoral district of Kenora: Robert W. Gibson.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-first day of November, 1961, issued by the Honourable Lieutenant Governor of the province of Ontario, and addressed to Joseph J. O'Flaherty, Esquire, returning officer for the electoral district of Kenora, for the election of a member to represent the said electoral district of Kenora in the legislative assembly of this province, in the room of Albert Wren, Esquire, who, since his election as representative of the said electoral district of Kenora, hath departed this life, Robert W. Gibson, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the twenty-fifth day of January, 1962, which is now lodged of record in my office.

(signed)
RODERICK LEWIS,
Chief Election Officer.

Toronto, February 20, 1962.

Robert W. Gibson, Esquire, member for the electoral district of Kenora, having taken the oaths and subscribed the roll, took his seat.

Hon. J. P. Robarts (Prime Minister): **Mr. Speaker**, I would like to express a word of welcome to these three new hon. members who have exercised the privilege and their right of taking their seats in the Assembly this afternoon. The hon. member for Brant (Mr. Nixon) is following in the footsteps and the tradition of his father, who was a well known and well beloved figure in this House for many, many years; and although the hon.

member for Brant and I, and his father before him, do not support the same views politically, nor do we express the same political philosophy, nonetheless I am delighted to see a continuation of family tradition in the matter of service to the people of this province in this Legislature.

The hon. member for Beaches (Mr. Harris) also has a long background of family service. His father served the constituency, which he will serve in this House, in the Parliament of Canada for a good many years. I express the same delight in seeing him follow in his father's footsteps in serving the people of his constituency and the province.

I would like to extend a personal welcome to the hon. member for Kenora (Mr. Gibson) and I would wish for these three hon. members health and happiness and satisfaction as they serve the members of their own constituencies and the people of this province in the years of service that will lie ahead of them here.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, if I may but take a moment to join with the hon. Prime Minister (Mr. Robarts) in these words of welcome. I would underscore what he has said and identify, as he has done, these three historic ridings in Ontario with the newly-elected hon. members. I would add one further comment, Mr. Speaker, and that is simply the fact that all three men are very young in years. This I think is part of the changing tradition in Ontario. These men come as young men with the ideal and determination that they will dedicate themselves and their lives to the task of government in Ontario. That is a very commendable thing in this historic Legislature.

Mr. Speaker, it gives me much personal pleasure to join in this welcome to the three new hon. members.

Mr. D. C. MacDonald (York South): Mr. Speaker, I would like to join with the hon. Prime Minister (Mr. Robarts) and the hon. leader of the Opposition (Mr. Wintermeyer) in extending a welcome to the new hon. members of the House. I and some others did our very best to see that their pursuits at home would not be interrupted and they could continue with their personal business but we did not succeed. They are here and I just want to say, as I have said before in this House to new members, that in my view the work of serving people in a free country in a Legislature and a Parliament is the noblest pursuit to which man can turn his energies.

I hope that they will find here in this Legislature satisfaction in the years that lie ahead.

Mr. Speaker: Petitions.

Mr. Speaker informed the House that the clerk had received from the commissioners of estate bills their report in the following case: Bill No. Pr10, An Act respecting Metropolitan United Church of Toronto.

The report read:

THE SUPREME COURT OF ONTARIO
THE HONOURABLE THE CHIEF JUSTICE
OF ONTARIO
THE HONOURABLE MR. JUSTICE SCHATZ
OSGOODE HALL, TORONTO 1.

December 20, 1961

RODERICK LEWIS ESQ., Q.C.,
CLERK OF THE LEGISLATIVE ASSEMBLY,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

DEAR SIR:

*Re: Bill No. Pr10, 1961-62, An Act Respecting
Metropolitan United Church of Toronto*

The undersigned, as commissioners of estate bills as provided by The Legislative Assembly Act, R.S.O. 1960, Chap 208, Sec. 57, having had the said bill referred to us as such commissioners, now beg to report thereon.

We have heard representations from Mr. J. B. Allen, Q.C., on behalf of the petitioner. He informed us that National Trust Company Limited, executor of the estate of the late Lillian Frances Massey Treble by letter have stated it considers the bill to be reasonable and does not oppose this petition.

It appears from the petition filed herewith and from the information disclosed on the hearing before us that the bill is reasonable.

We are of the opinion that the provisions of the said bill are proper for carrying its purposes into effect and that it is reasonable that such bill be passed into law.

The bill duly signed by the commissioners and a copy of the petition for the same are accordingly returned herewith.

Yours sincerely,

(signed)

DANA PORTER, C.J.O.,

S. N. SHATZ, J.,

Commissioners of estate bills

Clerk of the House: The following petitions have been received:

Of the corporation of Christ Church, Anglican Church of Canada, Amherstburg, praying that an Act may pass varying the terms of a trust created by the will of the late Loftus Cuddy.

Of the corporation of the United Church of Canada praying that an Act may pass authorizing the corporation and emanations thereof to invest in such securities as are authorized for Canadian insurance companies.

Of the corporation of the town of Rainy River praying that an Act may pass exempting the Baudette and Rainy River municipal bridge from all municipal taxation.

Of the corporation of Laurentian University of Sudbury praying that an Act may pass enlarging the senate thereof; and for related purposes.

Of the corporation of the city of Hamilton praying that an Act may pass vesting in the corporation all assets, etc. of the board of park management of the said city; and for related purposes.

Of Riverview Health Association praying that an Act may pass providing for the distribution of its assets in the event of dissolution, and for related purposes.

Of the corporation of the board of education for the city of Windsor and the Windsor suburban district high school board validating an agreement whereby the suburban district board will erect and pay additions to a secondary school in the city of Windsor and be guaranteed certain accommodation in such school.

Mr. Speaker: Presenting reports by committees.

Motions.

Mr. Wintermeyer moves, seconded by the hon. member for Grey South (Mr. Oliver) the adjournment of this House to discuss a matter of urgent public importance, namely, the conduct of the hon. Attorney-General (Mr. Roberts) in respect to the Royal Commission on organized crime.

Mr. Speaker: While I think it is well known to the members of the House that in motions of this type we do bring before the House matters of urgent and public importance, it is noted, however, that the matter must be both urgent and of public importance. It may be a little urgent, it may be of some importance, some urgency, but today at this point I cannot see where I can allow the motion on the basis that it is urgent and of public importance. It is something which can be discussed in other ways in this House and therefore I cannot accept the motion.

Mr. Wintermeyer: Well, Mr. Speaker, before you make your ruling, would you hear my request? Mr. Speaker, I submit to you that this is a matter of great urgency and great public importance and I am not trying to make light of this at all. I feel that the matter is urgent for the simple reason that it is my understanding that the hon. Attorney-General delivered an address in this city last night which has received wide public attention. The matter is urgent because unless it is dealt with now it will not be of the same consequence or significance.

Interjections by hon. members.

Mr. Speaker: I point out to the members that I have ruled it out of order, and in my position as Speaker I happen to know that a question has been submitted to the House something along the same line as appears on the motion. Therefore at this time I do rule the motion of the leader of the Opposition (Mr. Wintermeyer) out of order.

Mr. Wintermeyer: Mr. Speaker, will you permit a question, a question not directed to your ruling?

Mr. Speaker: Surely.

Mr. Wintermeyer: Mr. Speaker, you have suggested that this particular motion is out of order because somebody has had the privilege of asking a question. I hope that that question will be pursued. But surely you do not suggest that the motion is out of order because a question will be asked at some future or later time in these proceedings?

Mr. Speaker: The question is ruled out of order based on the fact that in the Speaker's opinion the matter is not of public and urgent importance today.

Mr. Wintermeyer: Mr. Speaker—

Mr. Speaker: Order, order.

Mr. Wintermeyer: I have no recourse but to appeal your decision.

Mr. Speaker: All those in favour of the Speaker's ruling will please say "aye."

All those opposed will please say "nay."

I declare the "ayes" have it.

The Speaker's ruling was upheld on the following division:

YEAS	NAYS
Allan	Belanger
(Haldimand-Norfolk)	Bryden
Allen	Bukator
(Middlesex South)	Chapple
Auld	Davison
Beckett	Edwards
Boyer	(Wentworth)
Brown	Gibson
Brunelle	Gisborn
Carruthers	Gordon
Cass	Gould
Cathcart	Innes
Cecile	MacDonald
Connell	Manley
Cowling	Newman
Daley	Nixon

YEAS	NAYS
Davis	Oliver
Downer	Reaume
Dymond	Sopha
Edwards	Spence
(Perth)	Thomas
Evans	Thompson
Gomme	Trotter
Goodfellow	Troy
Grossman	Whicher
Guindon	Wintermeyer
Hall	Worton
Hamilton	-26
Hanna	
Harris	
Haskett	
Hoffman	
Janes	
Johnston	
(Parry Sound)	
Johnston	
(Carleton)	
Lawrence	
Letherby	
Lewis	
Macaulay	
Mackenzie	
MacNaughton	
Morin	
Morningstar	
Morrow	
McNeil	
Nickle	
Noden	
Parry	
Phillips	
Price	
Robarts	
Roberts	
Rollins	
Rowntree	
Sandercock	
Simonett	
Spooner	
Stewart	
Sutton	
Wardrobe	
Warrender	
White	
Whitney	
Yaremko	
-61	

Mr. MacDonald: Mr. Speaker, before you proceed further may I ask for clarification in light of the ruling on the motion that was just made by the hon. leader of the Opposition (Mr. Wintermeyer) and which you found unacceptable. In the course of your explanation you stated that there would be other occasions in which this could be debated. Do I conclude correctly that it is within the

rules of this House to debate the contents of the Royal Commission at any future date during the course of this session?

Mr. Speaker: No, I did not put any such interpretation on it at all. The hon. members know what they can say.

Mr. MacDonald: Well, the hon. Attorney General (Mr. Roberts) does it and I thought your wording indicated that we had free range to do likewise.

Mr. Speaker, before the orders of the day, I have a question—

Mr. Speaker: Order, order.

Introduction of bills.

CERTAIN LANDS IN THE TOWN OF GANANOQUE

Hon. J. W. Spooner moves first reading of bill intituled, An Act respecting certain lands in the town of Gananoque.

Motion agreed to; first reading of the bill.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, I would like to give a short explanation of this. This bill has to do with certain lands located in the town of Gananoque which were dedicated by the late Joel Stone, in the year 1804, to the public use as a burying ground for the use of the inhabitants of the village of Gananoque and its vicinity; and, pursuant to a judgment of the Court of Chancery in the year 1871, were conveyed to the Crown. Pursuant to the judgment, the corporation of the village of Gananoque covenanted to take the supervision of the lands.

The lands are not now used as a burying ground, and there is evidence that the lands have not been used for such purpose for over 80 years and that all the bodies were removed therefrom over 80 years ago. Adjacent owners have encroached on, fenced and used parts of the lands for many years. This Act provides for the granting of letters patent to adjacent owners who have encroached on the old burying grounds and for the granting of the remainder of the burying grounds to the town of Gananoque.

THE CROWN TIMBER ACT

Hon. Mr. Spooner moves first reading of bill intituled, An Act to amend The Crown Timber Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Spooner: Mr. Speaker, the purpose of this bill is to provide that chips produced as by-products of the manufacture of lumber are included in the list of products into which timber must be manufactured in Canada. The second section provides for placing the responsibility for regeneration of cut-over areas on the licensee are deleted from the present Act; and the Minister of Lands and Forests, with this amendment, is authorized to enter into agreements for this purpose. This agreement is supplementary to the policy of the department of shifting the primary responsibility for regeneration to the Crown.

THE MINING ACT

Hon. G. C. Wardrope moves first reading of bill intituled, An Act to amend The Mining Act.

Motion agreed to; first reading of the bill.

Hon. G. C. Wardrope (Minister of Mines): Mr. Speaker, this is a 132-page bill and I am not going to burden you with it; but in explanation I would say that this bill introduces legislation on safety procedures, such as friction-hoists, ammonia nitrate and fuel-oil as a blasting agent and Raise climbing apparatus. The modifications and changes are necessary to keep the Act in pace with safe practice in the mining industry.

This has been edited and checked by the Attorney-General's department and it constitutes the thinking of labour and industrial briefs that have come to us. Many of the improvements are based on their findings and all interested groups will have an opportunity to go into this bill and debate it when it goes before the standing committee on mines.

THE LAKEHEAD COLLEGE ACT, 1956

Hon. J. P. Robarts moves first reading of bill intituled, An Act to amend The Lakehead College of Arts, Science and Technology Act, 1956.

Motion agreed to; first reading of the bill.

Hon. J. P. Robarts (Minister of Education): Mr. Speaker, it gives me a great deal of pleasure to introduce this bill into the Legislature. It provides that the Lakehead College of Arts, Science and Technology will have power to grant university degrees and honorary degrees and awards in arts and science, and it represents the final step into full university status of this very fine educational institution at the head of the lakes. It represents the culmination of a good deal of work

and hard labour on behalf of many public-spirited people in that area and I think that we all can be very happy in this coming of age of the baby of our university family.

Mr. L. Troy (Nipissing): Mr. Speaker, in view of the hon. Minister of Education's statement, I would like to ask a question.

Mr. Speaker: Order.

THE NOTARIES ACT

Hon. A. K. Roberts moves first reading of bill intituled, An Act to amend The Notaries Act.

Motion agreed to; first reading of the bill.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, in anticipation of a question on this, I would say that this is a routine bill, merely providing for regulations for fixing fees payable on appointment of notaries public.

THE JUDICATURE ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Judicature Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill provides in effect for an increase in the number of judges in the trial division of the High Court of the Supreme Court of Ontario by two. There has been a very heavy volume of work and the Chief Justice of the High Court has drawn this to the attention of both the hon. Minister of Justice and myself. There has recently been an appointment to the Island of Cyprus of one of the trial division judges of this province, the hon. Mr. John Wilson, who, I think it can be said, is being extended an honour and a duty at the same time. He is to assist in setting up in that island the court system with which he is familiar, and I think our country too can take credit in that request from Cyprus.

THE COUNTY COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The County Courts Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, again anticipating a request for a brief statement, I would say that this is a bill that has been

prepared as a result of the study of the Silk Report, which all hon. members have had in their possession for some time.

The principal purpose of the bill is to increase the monetary jurisdiction of the county and district courts from \$1,000 in contract and \$1,200 in tort in like actions respectively to \$3,000. Provisions which limit partnership actions in cases where the capital of the partnership does not exceed \$4,000, and estate actions to cases where the estate does not exceed \$4,000, are amended to replace the \$4,000 figure with \$20,000.

It also simplifies the means of rearranging the sittings of the courts but always subject to the direction of the chief judge, and which I will mention later in another bill. Then there is the holding of additional sittings subject to the approval of the chief judge. This permits non-jury sittings outside the county town, and provides that where a judge fails to attend court, the chief judge instead of the Attorney-General shall be advised and act. It simplifies the procedure for a new trial where a judge dies or fails to give judgment in six months, and provides for appeals in interlocutory matters.

THE COUNTY JUDGES ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The County Judges Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, the principal purpose of this bill is to make provisions for the appointment of a chief judge of the county and district courts. The provisions contained are appropriate for provincial enactment. An amendment to The Judges Act of Canada is a necessary complement and I think will be definitely forthcoming.

The bill also provides for the repeal of the requirement that the clerk's office shall be in the court house; for a special allowance to the chief judge; for revision of the oaths revision in line with the appointment of the chief judge; for changing the term "shorthand writer" to "court reporter" so that mechanical or electronic devices properly supervised may be used; and for the responsibilities of the chief judge and the other judges in arranging the sittings of the courts.

The annual meetings within the county courts' judicial districts are to be continued under the chairmanship of the chief judge. There is also provision for an annual meeting of all the judges.

THE DIVISION COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled An Act to amend The Division Courts Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill accomplishes three recommendations contained in the Silk report. It permits the Lieutenant-Governor to appoint a division court judge. This is in line with the constitutional authority of the province but the present situation has been to declare that judges of the county and district courts are the division court judges, and to permit a barrister to be appointed *pro tem.* by one of them.

This bill permits the Lieutenant-Governor in council to appoint judges but also retains the principle that all county and district court judges are judges of the division court. It increases the jurisdiction in tort actions so that the jurisdiction will be \$400 across the board, with the top limit of \$800 in the territorial district.

The \$800 in northern Ontario, which is a revision from the present consent practice in that part of the province, apparently has not worked out satisfactorily. But for the benefit particularly of hon. members from the north, I would say that the new provision permits the plaintiff to bring an action for an amount up to \$800, but where it exceeds \$400, the parties may not be represented by an agent but must either appear themselves or be represented by a lawyer. The rules relating to pleadings and other procedures of the county courts apply and the judge has the discretion regarding discovery and production.

THE GENERAL SESSIONS ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The General Sessions Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, this bill is complementary to The County Courts Act in connection with the general sessions of the peace, recognizing the chief judge and defining the chief judge, and revising the provision regarding the altering of the sittings. It is identical with the corresponding provision in the County Courts bill.

The bill permits the chief judge, instead of the Lieutenant-Governor by proclamation, to

authorize the holding of the sittings elsewhere in the county or district and in the county or district town. It alters the provision regarding the inability of the judge to hold sittings so that the sheriff will report the matter to the chief judge and the chief judge will take appropriate action thereon.

THE JUDICATURE ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Judicature Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: There are two amendments contained in this bill. One permits the presiding judge to hold sittings at a place other than the county or district town; the second adds the chief judge of the county or district courts to the rules committee.

THE JUVENILE COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Juvenile and Family Courts Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, the present system is working out satisfactorily in many cases but in some cases is not too satisfactory, because of interference with the time of what might be regarded as the principal responsibilities of those juvenile and family court judges who are also county court judges or magistrates. In some cases it makes time demands which render it unfeasible for the judge to give adequate time to his juvenile and family court work.

Altogether the situation in every part of the province is perhaps not consistent with the important place which the juvenile and family courts have now gained in our court organization. This is largely brought about by reason of the fact that the judge must be paid by a single municipality. Ideally the situation might be to take care of this on a province-wide basis for all judges. This bill represents a compromise by authorizing the Lieutenant-Governor in council to make regulations providing for the apportionment of the salaries and expenses between or among municipalities and providing the Attorney-General may approve such arrangements as may promote a better system of judges.

THE SURROGATE COURTS ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Surrogate Courts Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, in line with the amendments to The County Courts Act, and The Division Courts Act, the jurisdiction of the surrogate courts is increased insofar as removability to the Supreme Court is concerned. The increase is from \$2,000 to \$20,000, relating to estates. The provision appearing in section 1 of the bill is self-explanatory.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before the orders of the day, I have a note here which says that Lieutenant-Colonel Glenn was plucked out of the sea at 3.01 this afternoon.

I also have a statement which I would like to make, Mr. Speaker, on the occasion of Brotherhood Week. We have come once again to the week in the year when we observe a very important stocktaking in the life of our national family. Brotherhood Week is an occasion when we reflect specifically on the fact that our national survival depends upon the maintenance of the right relationships between all members of that family.

In this week we will rededicate ourselves to the goal of strengthening and maintaining mutual understanding between all members and sections of our community. Our connection in this House with Brotherhood Week is particularly close this year for our greatly esteemed colleague, the hon. member for Victoria (Mr. Frost), is national co-chairman of the week's observances which are sponsored across Canada by the Canadian Council of Christians and Jews.

His fellow chairman is the Honourable Mr. Justice Gerald Fauteux of the Supreme Court of Canada. The selection of the hon. member for Victoria as co-chairman is of course in recognition of the great role that he has played over the years in forwarding the cause of human rights. We congratulate him and we thank him for undertaking this further service to his fellow Canadians.

Mr. Speaker, in our world today perhaps the most hopeful sign for the future is the increasing awareness of people everywhere that respect to the individuality, the dignity and the equal rights of every human being, is, in the words of the Universal Declaration of Human Rights, "the foundation of freedom, justice and peace in the world." Certainly

in our own country we have seen how people with diverse backgrounds and interests can come together and work together to their mutual advantage in the spirit of brotherhood.

On the other hand, while there is every indication of a more widespread acceptance and practice of that spirit around the world, there still exist attitudes and actions which are destructive of elementary justice. I would not suggest that these things are rampant in Canada but I would never dismiss them as manifestations peculiar only to some other part of the world.

Thus it is very much in the interest of our society that we should observe Brotherhood Week once each year and that we should remind ourselves forcibly of its meaning. But we would be unwise if we assumed that we could get away with only a once-a-year recognition of its principles, for ignorance operates 52 weeks a year and ignorance is the parent of prejudice which in its turn results in a denial of basic human rights.

We, as hon. members of this Legislature, believe that the principles for which Brotherhood Week stands have to be incorporated into the laws of the land. We have enacted such statutes as The Fair Employment Practices Act, making it public policy in our province that every person is free and equal in dignity and right without regard to race, colour or creed, and establishing machinery for guaranteeing this policy. To my mind, one of the major pieces of legislation before the House at the present time is The Ontario Human Rights Code Act which restates and reinforces these principles.

In my first address in this House I said that I was firmly and unreservedly committed to the human rights policies established by my distinguished predecessor. On this occasion I repeat that assurance.

Mr. Wintermeyer: Mr. Speaker, it affords me, of course, great pleasure to join with the hon. Prime Minister (Mr. Robarts) in underscoring the significance of brotherhood. It is not necessary that I go into any great detail. I think it is important only that I tell you, Mr. Speaker, that I am sure I speak for all hon. members of the House when I say that we thoroughly agree with the observations that the hon. Prime Minister has made and with the sincerity and genuineness with which he expressed the thoughts relating to brotherhood.

If I may be permitted, Mr. Speaker, to add but one comment, it would simply be this—and it comes to me as the result of the obser-

vation that the hon. Prime Minister made at the introduction of his remarks, that is the fact that Colonel Glenn had completed his trip around the world in orbit and has now been rescued. I think maybe that we are too preoccupied with a man in space and in orbit. The solution to Man and for Man, actually, in all probability will be not at a military level but at a level of ideals here on earth and inside Man; and I think it is imperative that we all give expression to the conviction that I hope we all cherish that Man's real solution is in his understanding of the significance in the true philosophical identity of the word "love".

We must learn to love one another for the sake of the dignity of each individual human person, and begin to realize the individual's precious significance, and then I think we will understand the need for brotherhood and the need that we have today to know that all men are equal and deserve equal rights; because they are all little worlds unto themselves, with a beginning and an end and a purpose and a free will, and this sets them aside from material objects.

Mr. Speaker, it is a great pleasure for me to join with the hon. Prime Minister in these ceremonies, in these observations, in this expression of our concern for, and our appreciation of, and our support of the term "brotherhood", particularly at the beginning of this Brotherhood Week.

Mr. MacDonald: Mr. Speaker, I would like to add my support briefly to that of the hon. Prime Minister (Mr. Robarts) and the hon. leader of the Opposition (Mr. Wintermeyer) for the objectives of Brotherhood Week. Both the hon. gentlemen have referred to the great achievements, technical achievements, of today and I think perhaps the great message that it brings to us is that not only is this world very, very small, but in fact this world is being brought very close to the universe beyond us—that was away beyond our ken up until now. Because this world has become small it behooves us to release or to remove the tensions in the human family because we must live in peace and brotherhood or else we are not going to be able to survive.

So it is highly appropriate that the great triumph today in space should come in the middle of Brotherhood Week, because this is a reminder to us once again of the validity of these principles and a reminder that we must not just endorse them in Brotherhood Week but practise them for the 52 weeks of the year.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, because I have been inspired by the lofty ideals expressed by the hon. Prime Minister (Mr. Robarts) and the other hon. members concerning brotherhood, and because I have listened with some admiration to the hon. Prime Minister stating that he will practise these ideals every day of the week, I therefore am humbly assuming that I can ask him a question to test the concreteness of his philosophy. It arises from the memo which is on the desks of all of us, sir, from the Italian Community Promotion Centre. This concerns the number of Italian immigrants who had hoped to get retraining; unfortunately the retraining has been stopped by his department.

My question, sir, is: Is the hon. Prime Minister reconsidering that decision of his department—which decision was to eliminate the practical training of Italian immigrants at the Provincial Institute of Trades under Schedule 5? I think the reason that has been given by his department was that The Apprenticeship Act made retraining impossible. My further question is, Mr. Speaker: is he considering then to change The Apprenticeship Act to make it possible for people over 21 to get training in a designated trade?

I apologize, Mr. Speaker, that I had not sent this question in writing to him, but because the brief was presented to us, I would assume that he has probably looked at it.

Hon. Mr. Robarts: Mr. Speaker, I am quite prepared to answer that question. This is a relatively technical matter, as the hon. member (Mr. Thompson) knows, and I will refer to these notes. Today I received a copy of this eight-page memorandum prepared by the Italian Community Promotion Centre and I understand that a copy has appeared on every desk in the Legislature.

The memorandum questions certain policies of The Department of Education and the administration of the vocational retraining programme. Now, Mr. Speaker, this is the situation.

The men mentioned in the memorandum want training in the trades designated under The Apprenticeship Act, but wish to have this training under what is termed Schedule 5 programme for training the unemployed under the federal-provincial training agreement. This agreement does not provide for apprenticeship training.

To qualify for training under The Apprenticeship Act the following conditions must be met:

(1) The apprentice must be employed and registered with The Department of Labour;

(2) He must have a minimum of grade eight education;

(3) He must be a minor over the age of 16.

None of these men qualified, as they were all unemployed, had less than the education requirements and most of them were over age. Many of these men had been employed as labourers in the construction industry but this experience does not qualify a person as a tradesman in the designated trades as they are known in this province.

It would have been most unfair to keep these men in the Provincial Institute of Trades for a period of 6 months under Schedule 5 in the courses originally planned. At the end of this period, at the very best, they would only be partially trained in any of the skills connected with the designated trades. It would have been unfair to have them feel that they could go out and compete with men who had been properly trained under a full-time training programme extending over a period of four to five years.

We are attempting, through our education system, to upgrade the skilled workers of Ontario. In many ways we are increasing our vocational training facilities. We have been raising the standards of admission for apprenticeship training to try to raise the standards of workers in order to cope with rapidly changing technological advances.

We feel that what we are offering these people is of much greater importance to them. We are providing them with the skills and communications through a basic course in academic upgrading. They are taught English, with emphasis on oral and written communications, mathematics, science and blueprint reading—all designed to assist them to adjust to life in Canada.

To deal with the specific points in the memorandum I would like to say this: there was nothing in the applications which listed them as tradesmen. They all had only labouring experience with the trade. They did not understand English, and for that reason the academic course which includes instruction in English was recommended for them. And, three, there are some unemployed apprentices in Ontario at the present time. Some of these apprentices have only been working part time at their trade and it would be unrealistic to train other men while these apprentices are still unemployed.

Finally, to attempt to train apprentices in the way these men requested would simply dilute the trades. This would not be fair to these men, or to apprentices who can qualify, nor to the men who have already qualified and are employed in the trade.

Mr. K. Bryden (Woodbine): Mr. Speaker, may I direct a question to the hon. Prime Minister? I would like to ask him why these men were led to believe in the first place that they could receive training involving certain skilled trades?

Hon. Mr. Robarts: Well, Mr. Speaker, these courses were set up and perhaps there was some error within the department itself. The point is one that the hon. member for Woodbine (Mr. Bryden) knows very well. We cannot attempt to take unemployed people, bring them in and give them a ten or twelve weeks course and send them out equipped to compete with plumbers and the tradesmen who have spent long apprenticeships—

Mr. Bryden: Yes, but why were they led to believe that they could do this?

Mr. V. M. Singer (York Centre): Let the hon. Prime Minister answer the question; the hon. member asked one.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, surely the hon. Prime Minister is not—

Mr. Singer: No, I think this is an important—

Interjections by hon. members.

Mr. Singer: Mr. Speaker, may I ask the hon. Prime Minister a supplementary question?

Does the hon. Prime Minister mean that anyone over 21 is too old to learn a trade? If this is what he means, it is a disgrace.

Hon. Mr. Macaulay: Well, obviously he does not mean that.

Mr. Singer: Well, that is what he said.

Hon. Mr. Robarts: Mr. Speaker, it is the purpose of The Apprenticeship Act to provide that to become an apprentice you must be a minor over the age of 16; that is what I said.

Mr. Singer: If you are over the age of 21, you are too old, is that right? Shame!

Mr. Thompson: Mr. Speaker, I have a supplementary question. If the hon. Prime Minister does not say that, does not The Apprenticeship Act say it? Over 21, you are no longer considered as an apprentice.

Hon. Mr. Robarts: Mr. Speaker, I am quite prepared to answer the question. The section of the Act simply means that you cannot

become an apprentice in one of the designated trades under that Act if you are over the age of 21.

Mr. Thompson: May I ask another supplementary question? Is this not the only province—I beg your pardon, Mr. Speaker.

Mr. Speaker: Order.

Hon. Mr. Robarts: As to any more questions—I accepted the first one as a matter of courtesy and we can debate this in my estimates. There will be lots of time.

Mr. L. Troy (Nipissing): Mr. Speaker, I have a question directed to the hon. Minister of Education (Mr. Robarts); the formalities have been observed.

In the *Toronto Globe and Mail* of Monday, February 19, a front page story entitled "College Official Suggests Birth Control As Answer To Education Cost Problem," quotes Dr. C. E. Phillips, director of graduate studies at the Ontario College of Education as saying:

The alternative of reducing the number of pupils by more humane means than atomic warfare can no longer be dismissed as an infringement on the rights of individuals—neither here nor in countries where the peril is strikingly apparent.

Does Dr. Phillips' statement accurately reflect the policy of The Department of Education?

Hon. Mr. Robarts: Mr. Speaker, I think this question could be classed as at least semi-frivolous; however, I will correct the hon. member (Mr. Troy) where he is in error. In the first place, Professor Phillips was not speaking on behalf of The Department of Education—he cannot speak on behalf of The Department of Education as he is an employee of the University of Toronto—but to set the hon. member's mind at rest I can assure him that as long as I am the Minister of Education this will never be the policy of The Department of Education.

Mr. Troy: Mr. Speaker, as a supplementary question, it seems to me—

Mr. Speaker: Order.

Mr. Troy: But I have another question, sir. In view of the fact of the statement of other—pardon?

Mr. Speaker: When the members ask a supplementary question, I want them to go right into the question and ask the question and not make speeches of any kind.

Mr. Troy: I want to ask the hon. Minister of Education (Mr. Robarts)—I did not get the remark about frivolous. I want him to repeat that so I will know what he said, because this is not a frivolous matter to me.

An hon. member: Well, we will just leave it there.

Mr. MacDonald: Mr. Speaker, I would like to direct a question to the hon. Prime Minister (Mr. Robarts), a copy of which I have given to him in accordance with the rules of the House.

Last night the hon. Attorney-General (Mr. Robarts) expressed doubts concerning the effectiveness of crime investigations. This follows his statement of January 15, when he publicly alleged that certain persons were involved in aspects of organized crime.

These statements raise serious questions as to the precise role of the Royal Commission. Since they come from the hon. Minister heading the department which has jurisdiction over our law enforcement agencies, whose co-operation will be required in the commission investigations, will the hon. Prime Minister indicate whether the hon. Attorney-General's pronouncements are personal views or an accurate reflection of government's policies and attitude?

Hon. Mr. Robarts: Mr. Speaker, I have examined the speech of the hon. Attorney-General (Mr. Robarts) and it is a long address of 45 minutes duration and it contains a good deal of, what I would term, learned research. There is a good deal of history and a great deal of discussion about the abstract of liberty and I feel that it is unfair to remove from it, one very small portion, and draw certain conclusions from the portion so withdrawn.

I can assure the hon. member (Mr. MacDonald) that the government has complete confidence in Mr. Justice Roach sitting as the Royal commissioner, with the terms of reference as they are set out in the Order-in-Council dated December 11, 1961; that he will carry out the duties assigned to him in which he undertook as they are set out in that Order-in-Council. I can also assure the hon. member that the government will take such action as may appear necessary when the commissioner makes his final report.

The hon. Attorney-General has assured me—and I did not need his assurance, but for the purposes of answering this question I obtained it from him—that the commission will have the most complete and fullest co-operation from his department and assistance in any

way possible. He informs me that he has complete and absolute confidence himself in the capacity of the Royal commission as constituted and in the commissioner.

Mr. Wintermeyer: Mr. Speaker, may I be permitted to ask a supplementary question? I address this to the hon. Prime Minister (Mr. Robarts), Mr. Speaker; in view of the hon. Prime Minister's observations, may I ask the hon. Prime Minister whether in view of the fact that the newspapers did not interpret the speech in the same way as the hon. Prime Minister has, whether he will assure the House this speech will be tabled?

Hon. Mr. Robarts: Would the hon. leader of the Opposition (Mr. Wintermeyer) not like to come out into the corridor, and I will read it to him.

Mr. Wintermeyer: Well, I would like it tabled. Will the hon. Prime Minister undertake to table the speech?

Hon. Mr. Robarts: Mr. Speaker, I see no reason why the speech should be tabled but I will ensure that the hon. leader of the Opposition gets a copy.

Mr. Bryden: Mr. Speaker, before the orders of the day, I would like to direct a question to the hon. Minister of Labour (Mr. Warrender), copies of which I have already sent to you and to him.

In view of the statement of the Ontario Court of Appeal in its recent judgment in the case of the Royal York Hotel and the Hotel and Club Employees Union that the language of clause 'c' of section 50 of The Labour Relations Act leaves something to be desired, will the hon. Minister indicate if legislation will be introduced at this session to clarify the language referred to?

Hon. W. K. Warrender (Minister of Labour): Well, Mr. Speaker, I did get a notice of the hon. member's question. May I say that since the decision was handed down I have been attempting to get reasons for judgment from the Court of Appeal and to date I have not been successful. However, I do not wish to attempt to answer the question today until I see what the Court did say and the reasons for judgment. If the section referred to requires clarification, certainly action will be taken to clarify it.

Mr. R. M. Whicher (Bruce): Mr. Speaker, before the orders of the day, I have a question to ask the hon. Prime Minister (Mr. Robarts). Inasmuch as we had the hon. Prime Minister's assurance before Christmas

that he would allow his experts to sit with ours to investigate the possibility of making a \$25.00 deduction instead of 17 cents insofar as The Sales Tax Act is concerned, will the hon. Prime Minister advise us when this meeting will take place so that reasonable preparations may be made by ourselves?

Hon. Mr. Robarts: Mr. Speaker, I congratulate the hon. member (Mr. Whicher) on his optimism in thinking I would be trapped by a question like this.

An hon. member: There is no trap.

Hon. Mr. Robarts: At no time was there any discussion whatsoever that we would investigate the possibility of making a \$25.00 deduction instead of 17 cents insofar as The Sales Tax Act is concerned. This was not the question that was debated nor is it the question I said I would consider referring to the public accounts committee.

In fact, the hon. leader of the Opposition (Mr. Wintermeyer) said that his \$25.00 deduction would produce \$115 million and I said it would produce \$52 million—and the question between us was as to who was right. I said I would produce my experts and he could produce his and we would then see who was correct. So on that basis I will answer the question and say if the hon. leader of the Opposition will tell me how much time he needs to prepare, to justify a figure that he advanced with such vehemence in the fall, three months ago—if he will tell me how much time he needs I will see that he gets it.

Mr. Wintermeyer: Mr. Speaker, the question that has been asked by the hon. member for Bruce (Mr. Whicher) I think was asked in a genuine effort to give us some idea of when this particular matter would be referred to the public accounts committee. I do not think there was any intention whatsoever to trap the hon. Prime Minister (Mr. Robarts) or any hon. member of the government at all. Very frankly, the reason for it was in the fact that one man has to be called from Harvard University, where he is currently employed. Now I would think a week's notice would be a reasonable period of time.

Hon. Mr. Robarts: I will undertake to give no less than a week's notice. I cannot tell the precise date now but I will undertake to do that.

Mr. Whicher: Mr. Speaker, before the orders of the day, I have a question to ask the hon. Minister of Agriculture (Mr. Stewart). Inasmuch as the hon. Minister has suggested on several occasions that a com-

mittee would be set up to investigate the possibility of a Farm Machine Act for the province, will the hon. Minister reassure the House that this will be done and tell us when we may expect such a committee to meet?

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, in answer to the question of the hon. member for Bruce (Mr. Whicher), and I thank him for the advance notice of his question, may I say that the individual members of the committee have been asked to act on this committee and we are awaiting their reply. As soon as consent has been received from these committee members, we will ask them to meet immediately.

Mr. G. T. Gordon (Brantford): Mr. Speaker, I have a short question for the hon. Minister of Health (Mr. Dymond) and the question is: what steps has the provincial government taken to assure the public that all meat offered for sale in this province is safe for human consumption?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, the entire matter of meat inspection which is traditionally a responsibility to be carried out by the federal Department of Agriculture, is at present the subject of very extensive discussion between the federal government and the government of Ontario. No conclusions have yet been reached in our discussions but they are proceeding vigorously, and every effort is being made to establish some workable plan by which the public will be assured that the meat they buy is safe for human consumption.

Mr. R. C. Edwards (Wentworth): May I ask a supplementary question, Mr. Speaker? The hon. Minister (Mr. Stewart) in his answer suggested that all meat inspection in Ontario was traditionally a federal matter. Is there not provincial inspection in some cases?

Hon. Mr. Dymond: Mr. Speaker, the answer is "no".

Mr. Troy: Mr. Speaker, I have a question which has been directed to the hon. Minister of Travel and Publicity (Mr. Cathcart), notice of which has been given to him. It is a very short question. Have the regulations respecting the classification of films as "Adult Entertainment" been changed recently? If so, what changes have been made and what is the purpose of the change or changes?

Hon. B. L. Cathcart (Minister of Travel and Publicity): Mr. Speaker, I want to thank

the hon. member for Nipissing (Mr. Troy) for giving me advance notice. There has been no change in the regulations in the past year or so. However, I may say that the regulations under The Theatres Act including adult or restricted films are presently under consideration and study.

Mr. Troy: May I ask a supplementary question?

Hon. Mr. Cathcart: It could have been "no", but I gave the hon. member the answer.

Mr. Troy: Did the hon. Minister read in the Metropolitan press that there was a change?

Hon. Mr. Cathcart: Mr. Speaker, the answer is "no".

Mr. Troy: That is recently, within the last three or four weeks?

Hon. Mr. Cathcart: Mr. Speaker, I was with the hon. member last weekend and I warned him what my answer would be.

Mr. MacDonald: Before the orders of the day, may I ask the chief liquor commissioner whether he is prepared to answer a question which I directed to him on the last day before Christmas, and which is to be found

on page 491 of *Hansard*? He pleaded for a little more time at that time.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, the answer will probably be ready tomorrow or the day after.

Mr. Speaker: Orders of the day.

Hon. Mr. Robarts: Mr. Speaker, I am not going to call any orders of the day. I am going to adjourn the House. It will take a day or so to get a volume of work established. My present plan is to bring the budget in a week from Thursday. We will meet tomorrow; and a week from tomorrow will be a committee day and then the budget will come in on the Thursday following. I will attempt to wind up the Throne Speech debates a week from today.

Mr. Bryden: Any night sessions this week?

Hon. Mr. Robarts: No, but I think as soon as the budget is introduced we will have night sessions Tuesday and Thursday nights as a matter of course.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 4:28 of the clock, p.m.

APPENDIX

The following table relates to Bill No. 47, An Act to amend The Retail Sales Act, 1960-61, second reading of which was moved by the Leader of the Opposition (Mr. J. J. Wintermeyer) on December 14, 1961, *Hansard*, page 431).

ESTIMATE OF ONTARIO SALES TAX REVENUE UNDER CONSERVATIVE AND LIBERAL PLANS

(Figures represent millions of dollars)

ONTARIO RETAIL SALES (Ontario Department of Economics 1961 Survey & Dominion Bureau of Statistics)

CLASSIFICATION OF STORE	1960 Sales	Conservative Plan		Liberal Plan	
		Now Taxable	Tax	Taxable if \$25 Exemption	Tax
Grocery & combination	\$ 1,320	\$ 200	\$ 6.0	\$ 0	
Other food & general	630	360	10.8	340	\$10.2
Variety	157	150	10.5	20	.6
Drug	174	100			
Hardware	103	100			
Department	491	420	12.6	270	8.1
Clothing & Jewellery	421	390	11.7	160	4.8
New Car Dealers, Garage and Service Stations					
New Car Sales	650	650	19.5	650	19.5
Other Sales	762	340	10.2	220	6.6
Building Materials	150	70	2.1	30	.9
Furniture & Appliances	209	210	6.3	190	5.7
Restaurant	225	100	3.0	100	3.0
Fuel	169	0		0	
Sundry	801	200	6.0	100	3.0
Tobacco Sales	0	250	7.5	250	7.5
	<u>\$6,260</u>	<u>\$3,540</u>		<u>\$2,330</u>	

OTHER TAXABLE SALES (Federal Trade & Commerce)

Construction—1961

Housing	774	900	27.0	900	27.0
Other	1,656				
Machinery & Equipment—1961	1,560	450	13.5	450	13.5
Telephone—local calls	150	150	4.5	150	4.5
	<u>\$ 4,140</u>	<u>\$1,500</u>		<u>\$1,500</u>	
	<u>\$10,400</u>	<u>\$5,040</u>	<u>\$151</u>	<u>\$3,830</u>	<u>\$115</u>

LOSS IN REVENUE

\$36

Major items of revenue that \$25.00 exemption would not reduce (areas where Liberal Plan and Conservative Plan are identical).

	Taxable Sales (millions)	Revenue (millions)
Construction and machinery & equipment	\$1,350	\$40.5
Automobile, furniture & appliance sales	925	28
Four exemptions (liquor, meals, telephone & tobacco)	850	25.5
	<u>\$3,125</u>	<u>\$94</u>

No. 21



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Wednesday, February 21, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

WEDNESDAY, FEBRUARY 21, 1962

The House met at 3 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the east gallery students from St. Margaret's Separate School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE ELECTION ACT

Mr. K. Bryden (Woodbine) moves first reading of bill intituled, An Act to amend The Election Act.

Motion agreed to; first reading of the bill.

THE GAME AND FISH ACT, 1961-1962

Hon. J. W. Spooner (Minister of Lands and Forests) moves first reading of bill intituled, The Game and Fish Act, 1961-1962.

Motion agreed to; first reading of the bill.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, it may be of value to the House if I were to make a short statement in connection with the purpose of this Act.

The 1960 consolidation and revision of the Ontario statutes did much to simplify The Game and Fisheries Act which was last revised in 1946 and has had numerous amendments during the past 15 years. There is perhaps no Act of Parliament which is so widely read as that relating to the game and fish laws, and the need for a complete revision has been recognized for some time.

The Department of Lands and Forests committee, consisting of senior head office and field officials, has been engaged in a

study of the game and fish laws, and the new draft bill which I am introducing today embodies the recommendations of this committee. As mentioned, the purpose of the revision is to simplify the Act and to bring it into line with administrative practices.

Sections of the bill have been grouped according to subject matter. For example, revisions relating to game animals have been placed in a section under the heading "Game Animals". Similarly, provisions relating to game birds, fur-bearing animals, fish, use of dogs in hunting, have been grouped under appropriate headings. Also, by greater use of the interpretation section of the bill in consolidating groups of descriptive words, it has been possible to simplify other sections of the bill.

Some of the new features of the bill include a statement of purpose of fish and game legislation. Regulations may be made imposing control over fishing huts. A further provision will permit an officer to collect a money payment as security for appearance in court of a person who is to be charged with a violation under the game and fish laws.

Because matters relating to hunting and fishing hold a widespread interest for great numbers of people, we plan to distribute first reading copies of the bill among the fish and game clubs, the Ontario Federation of Anglers and Hunters, the Northern Ontario Tourist Outfitters Association and other interested groups and persons, to give them an opportunity to study the new bill before the standing committee on fish and game meet. The bill can be discussed in detail in the standing committee.

THE AGRICULTURAL SOCIETIES ACT

Hon. W. A. Stewart (Minister of Agriculture) moves first reading of bill intituled, An Act to amend The Agricultural Societies Act.

Motion agreed to; first reading of the bill.

Mr. J. P. Spence (Kent East): Mr. Speaker, I wonder if the hon. Minister would explain the nature of the bill.

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, the amendment provides for the payment of grants on a specific date as the statements are received from the various agricultural societies by the superintendent. Under the present Act they are all held till the end of the year, as I understand it, and then the amounts are paid out according to the statements received. This will allow them to be paid out as they are received. I think it simplifies the procedure immensely.

THE TRAINING SCHOOLS ACT

Hon. I. Haskett (Minister of Reform Institutions) moves first reading of bill intituled, An Act to amend The Training Schools Act.

Motion agreed to; first reading of the bill.

Hon. I. Haskett (Minister of Reform Institutions): Mr. Speaker, where a boy or girl who is a ward of a training school is placed in a foster home, we have placement officers attached to that institution who follow up and assist the ward that has been placed. The department is now establishing district rehabilitation offices for this placement and parole work. This bill is to allow the district rehabilitation officers to assume and to exercise that wardship.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, I noticed that yesterday the hon. Prime Minister (Mr. Robarts) had suggested that the Italian immigrants who are not able to take retraining were labourers. As a point of information, I received a letter in this House from the president of the Italian Community Promotion Centre, which organization had prepared the brief. In this letter the president points out that, of the 180 applicants for this retraining, 45 had spent 4 to 10 years as tradesmen and had registered in the schools in order to upgrade themselves. I would like to raise the question, sir, because of this information, will there be reconsideration by the hon. Prime Minister of his decision not to continue retraining on a practical basis since we now learn that these men have been tradesmen for some 4 to 10 years?

Mr. Speaker: I would like to point out to the hon. members that possibly the hon. member (Mr. Thompson) who has just spoken could have submitted this question in the routine way—so that we do not upset the established procedure in the Chamber.

Mr. Thompson: I really had started with a point of information, Mr. Speaker. I will not

continue this question, but I would be interested—

Mr. Speaker: The point of information could still be couched in the terms of a question. Does the hon. Prime Minister (Mr. Robarts) wish to answer this point?

Hon. J. P. Robarts (Prime Minister): Well, Mr. Speaker, I think it would have been much more effective if the hon. member (Mr. Thompson) had given me a note of this. This is the first I have heard of it. I am in no position to comment on it. All he needs to do is send it to my office and I will deal with it.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the orders of the day, I rise on a question of personal privilege. It is also a matter affecting the privilege of every hon. member of this House. Yesterday your honour saw fit to rule against a motion by the leader of the Opposition that the House debate the conduct of the hon. Attorney-General (Mr. Roberts) respecting the Royal commission on organized crime. That motion, as all hon. members must know, was precipitated by a speech outside this House by the hon. Attorney-General in which he cast doubt on the effectiveness of commissions of inquiry into crime, and in which he tried to depict the present commission as a possible threat to liberty and due process of law.

Hon. A. K. Roberts (Attorney-General): Entirely false. Entirely false.

Mr. A. J. Reaume (Essex North): Wait till he finishes. Why does the hon. Attorney-General not keep quiet for a while? He has made enough speeches.

Mr. Wintermeyer: Having ruled against the leader of the Opposition, Mr. Speaker, your honour then saw fit to permit the hon. Prime Minister (Mr. Robarts) to make a statement in reply to a question from the hon. member for York South (Mr. MacDonald) in which the hon. Prime Minister defended the hon. Attorney-General (Mr. Roberts) and sought to suggest that press reports had distorted the speech of the hon. Attorney-General. I quote from the hon. Prime Minister's exact words:

Mr. Speaker, I have examined the speech of the hon. Attorney-General (Mr. Roberts) and it is a long address of 45 minutes' duration and it contains a good deal of what I would term learned research. There is a good deal of history and a great deal of discussion about the abstract of liberty.

and I feel it is unfair to remove from it one very small portion and draw certain conclusions from the portion so withdrawn.

That is the end of the quotation, Mr. Speaker.

Mr. Speaker, my question of privilege is that the hon. Prime Minister has misled the House and that he should correct the information that he has given hon. members. Mr. Speaker, the hon. Prime Minister yesterday refused to table the speech of the hon. Attorney-General so that hon. members could judge for themselves. He agreed, however, to send a copy to the leader of the Opposition.

I have read this copy and if necessary I shall read all of it to the House this afternoon to show that the hon. Prime Minister misled the House when he claimed that the press reports did not accurately reflect the remarks of the hon. Attorney-General.

I shall pass over the hon. Prime Minister's comment that the speech contained a good deal of learned research. Mr. Speaker, the press reported that the hon. Attorney-General cast doubt on the effectiveness of commissions of inquiry into crime and law enforcement. Let me quote the relevant section from the text of the hon. Attorney-General, beginning on page 10 of that text:

Every now and then problems of law enforcement and crime in particular in some particular aspects are the subject of public inquiry. For example, there were the Gestapo charges in 1945 in Ontario resulting in a Royal commission under Mr. Justice LeBel. He had this to say: "I am of the opinion that any person who gives thought to the matter will realize that many false statements are of necessity to be found in police and intelligence files and records. It is understood that the police of any force, large or small, usually set upon and in fact—"

Interjections by hon. members.

Mr. Speaker: Order! The hon. leader of the Opposition (Mr. Wintermeyer) rose on a point of privilege and he stated the point of privilege as being that the hon. Prime Minister (Mr. Robarts) misled the House. That is the point of privilege and it is not necessary to make a long speech in the statement of a privilege.

I would point out to all hon. members that when they wish to obtain the floor if they will stand the Speaker will sit down and the floor will be obtained by the hon. member.

Mr. Reaume: Everything was going along fine until the hon.—Am I out of order too now?

Mr. Speaker: I thought the hon. member was rising on a point of privilege. That is the only way he could rise at this time, within the rules of the House, as all hon. members know.

I repeat that the hon. leader of the Opposition mentioned that the hon. Prime Minister had misled the House and that is the point of privilege. As I mentioned, I do not think it calls for a long discourse on a point of privilege.

Mr. Wintermeyer: Well, Mr. Speaker, I did state my point of privilege and the point that I was trying to make when you called me to order was to justify my point of privilege. I had stated it—

An hon. member: The hon. leader of the Opposition (Mr. Wintermeyer) has made his point of privilege.

Mr. Wintermeyer: Mr. Speaker, my argument is simply this: I stated my point of privilege and it seems to me that I have to demonstrate it to you before you can make an intelligent determination that—

Interjections by hon. members.

Mr. Wintermeyer: Mr. Speaker, what I am demonstrating at the present time is that the major portion of this address that was given by the hon. Attorney-General was devoted to this very subject. It was not an incidental or small part, and I think that as intelligent persons we must present these facts, before you can make the determination. I am naturally going to point out that I think the hon. Prime Minister should apologize to the House for the statement that he made yesterday. Now I think this is a matter of privilege, certainly it is, Mr. Speaker.

Mr. Speaker: The point of privilege "that the hon. Prime Minister misled the House" is just a matter at this point of—what shall I say—not opinion, but judgment. The hon. leader of the Opposition has stated that the hon. Prime Minister misled the House; now at this point if the hon. Prime Minister would say something or say nothing, it is perfectly in order.

Mr. Wintermeyer: Mr. Speaker, may I substantiate one very important technical rule before you make your determination. Note this, that I did not say "deliberately

misled" and the rules of this House point out that there is a great differentiation between the two. What I am pointing out is that the statement that was made yesterday was misleading, not saying that it was deliberately misleading.

An hon. member: It is not misleading, if it is not deliberate.

Mr. Wintermeyer: It certainly is! The hon. member had better go back to his room.

Mr. Speaker: I would like to point out that matters of personal privilege, which this was mentioned under, do not call for lengthy speeches. If the hon. leader of the Opposition will state very briefly his point of privilege the Speaker will make his ruling on it. That is the procedure we have always followed in this House.

Hon. Mr. Robarts: Mr. Speaker, on a matter of personal privilege, the hon. leader of the Opposition (Mr. Wintermeyer) has attempted to convince the hon. members of the House that I misled the House yesterday.

That was not my intention and I do not think I did mislead the House. I think the statement that I made concerning inferences drawn from the speech made by the hon. Attorney-General (Mr. Roberts) the previous evening, is quite justifiable. These things, of course, are matters of opinion. If the hon. leader of the Opposition chooses, he can take a different interpretation than I do—but I will reiterate I had no intention of misleading the House and I do not think I did mislead the House.

Hon. J. Yaremko (Provincial Secretary): begs leave to present to the House the following:

1. The Public Accounts of the Province of Ontario for the fiscal year ended 31st March, 1961.
2. Report of the Provincial Auditor, Ontario, 1960-1961.

Hon. G. C. Wardrope (Minister of Mines): Mr. Speaker, before the orders of the day, and now that the storm is over, I ask leave to draw to the attention of hon. members, the review of the mining industry and of The Department of Mines which you, Mr. Speaker, have courteously allowed me to have placed on their desks.

It has become a tradition within the last few years, and it is a matter of pride to the staff of my department, that each year a complete summary of the previous year's

activities throughout the industry and in the department can be prepared and ready for distribution within a matter of six or seven weeks of the close of the year.

The presentation of such a report, while the information it contains is still current and newsworthy, presents a real service to the mining industry and to the public generally. My staff claims, and I think with justice, that no other department in this government manages to present so fully documented a report so early in the year. I think I can go further than that and say that no department of any government in Canada quite matches this particular achievement.

I should like to repeat now what I say in the foreword to the report, that to achieve this end, a fine degree of co-operation among all branches of the department and between the department and the various segments of the mining industry, is required. It is not easy to collect and collate such a mass of information and have it ready for publication in so short a time.

That, however, is just one sample of the high standard of service in which The Department of Mines takes pride and I think that the sort of co-operation it receives from, and extends to, the mining industry is one of the best possible means of ensuring the continuation of the spirit of mutual—and mutually profitable—goodwill which has been maintained over a great many years. In commending this review to the attention of hon. members, I suggest that it is worth much more than a casual glance to anyone who is seriously concerned with the economic well-being of our province and our nation.

On page two is a graph which portrays in an almost startling form the rate at which our mining industry has increased its productivity since the first years of the century. From a production total of \$190 million in 1946, the annual volume soared to a total of just under \$1 billion in 1960. I have to add that in 1961 there is an apparent reversal in this constant upward trend, and production was less by \$34.8 million in the last year.

This, however, can be more than accounted for by the loss in the market for uranium, over which it appears no one in this country has any real control. If it were possible to leave uranium out of the picture, both for last year and for 1960, it would be possible to claim an increased overall production of \$21 million.

Let me point again to the same graph on page two, Mr. Speaker. Members will note that the shaded portion of the graph indicates the expenditure of the mining industry year by year, and relates this expenditure to the

total value of production. The picture, I think, indicates pretty clearly just how important the mining industry is to our whole way of life.

I should like to draw the attention of hon. members to another graph, this one on page 80 of the report. It shows very clearly just how important our mining industry is in the matter of direct tax payments to Ontario's consolidated revenue fund. The hon. Provincial Treasurer (Mr. Allan) will be pleased to hear this.

Here again it will be noted that the total ordinary revenue derived from the mining industry has always been far in excess of the total ordinary expenditure of The Department of Mines. In 1961 the ordinary revenue amounted to \$18.3 million as opposed to ordinary expenditure of only \$1.5 million. That surely should commend the operation of our mining industry to hon. members on both sides of the House.

I do not intend to say more just now, except to suggest that a study of the production tables on pages 4, 5 and 6, the summary of developments on pages 7 and 8, and the list of producing mining operations on pages 9 and 10, might be very revealing. Part two of the report, which has to do with the activities of the department itself, should be of equal interest to hon. members of this House.

I think, Mr. Speaker, that in view of the increased emphasis that is being placed on the work of our geological branch, and the great importance of the aeromagnetic surveys which we, in conjunction with the federal government, are carrying out in northern Ontario, that this report has been aptly named, "1961, A Year of Exploration and Development."

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day I would like to direct a question to the hon. Minister of Reform Institutions (Mr. Haskett). The question is in three parts and it relates to the statement of the hon. Minister to the House on December 5, 1961, in answer to my question: would he meet, as soon as possible, with representatives of the municipality of Metropolitan Toronto to clarify responsibility for setting salary scales for employees of the Metropolitan Toronto (Don) Jail. His statement is reported more fully in *Hansard* for December 5, 1961, on pages 193-194.

The three parts of my question are as follows:

1. Has this meeting been held as yet?
2. If so, when may an announcement of its results be expected?

3. If not, what has prevented it from being held?

Hon. Mr. Haskett: Mr. Speaker, notice of the question is acknowledged with thanks. The question, as the hon. member for Woodbine (Mr. Bryden) has pointed out, came in three parts: Has this meeting been held as yet; if so, when may an announcement of its results be expected; if not, what has prevented it from being held?

The answer to part 1 is "no"; so there is no place for part 2. In answer to part 3, "If not, what has prevented it from being held?" I would answer quite frankly "some of the study and planning required"—and so as to be abundantly sure that none of the hon. members should be confused or misled, may I just add that after the original meeting had been requested and before that meeting was held the Metropolitan executive asked that the agenda be extended.

Hon. Mr. Stewart: Mr. Speaker, before the orders of the day, in keeping with the announcement yesterday by the hon. Prime Minister (Mr. Robarts) that next Wednesday would be committee day, and in consultation with the chairman of the standing committee on agriculture, I would like to invite the members of the standing committee on agriculture to the Ontario Agricultural College next Wednesday.

At that time it would be proposed to have a look at the college campus, at the buildings that have been built there, and the proposed buildings under construction, and to have lunch there and to have a meeting of the standing committee on agriculture which would deal with the two bills that are under consideration concerning the agricultural colleges. I believe they are Bills 48 and 49 if I am not mistaken, or 49 and 50—I am not sure which, but they are the bills concerning the federation of the colleges and the Research Institute of Ontario. They could be dealt with in committee at that time, and a bus will be provided by the department to take the committee there next week. I think this is an historical event and I think it should be dealt with in the proper surroundings.

Mr. Thompson: Mr. Speaker, before the orders of the day, I have a question for the hon. Minister of Labour (Mr. Warrender). I have tried to follow the correct procedures of Parliament by having it typed out and sent to him. I hope he received it in time.

In view of the susceptibility of recent arrivals to Ontario to be exploited in such businesses as the building trades, what steps

has the government taken during the past year to guarantee that the employees' rights are properly insured? And a supplementary aspect of this is: does this include, or is it considered that this will include, the licensing of building contractors in Ontario?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, a strike occurred in the summer of 1960 affecting the housebuilding aspect of the construction industry. It was in this particular area that the greatest number of immigrants were engaged in construction work.

This strike was settled, and a construction industry arbitration board was established under the chairmanship of Professor J. C. Cameron who had recently retired from the staff of Queen's University.

This board heard and disposed of some 129 cases, and in 48 cases wage claims were adjusted on the basis of consent awards in favour of the workmen involved, most of whom were immigrants. This board has now completed its job but not before it had awarded many thousands of dollars to workers, the greatest number of whom were immigrants.

The government also established a one-man Royal commission to study the construction industry. The commissioner is H. Carl Goldenberg, Q.C. His terms of reference extend to some of the matters mentioned in the question of the hon. member (Mr. Thompson). At this moment, the report of Mr. Goldenberg has not been received. I am sure that all of us are awaiting this report with a great deal of interest.

As to the licensing of building contractors, this matter was raised before the Royal commission on industrial safety which sat under the chairmanship of Judge P. J. McAndrew and which now reported. This report has been delivered to the hon. members of this House.

I am not persuaded that licensing building contractors will make them any more safety-conscious or more well-disposed to paying their debts.

Mr. V. M. Singer (York Centre): Mr. Speaker, before the orders of the day I have a question addressed to the hon. Attorney-General (Mr. Roberts) of which notice has been given. It is in two parts:

1. Did the hon. Attorney-General or members of his staff give directions to a Crown attorney or to any other person in connection with the laying of charges against an official of the town of Eastview?

2. In view of the findings at a recent trial in the town of Eastview does the hon. Attorney-General intend to lay charges against any other individual or individuals?

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, my answer to the question is "yes." Mr. R. P. Milligan, Q.C., Crown attorney for Stormont-Glengarry was called in for consultations following an extensive investigation by the provincial police and was instructed to prosecute.

In regard to the second question: this case was concluded last Friday, no report has as yet been received from Crown counsel and I understand an appeal has been taken by the accused.

Mr. Singer: May I ask just a supplementary question arising out of that? I am not particularly talking about this case, are there any other cases that are being investigated and does the hon. Attorney-General either contemplate action or is he going to carry on with his investigations?

Hon. Mr. Roberts: I have more consideration for the individuals, if there is such a thing, than to talk about it in this House unless and until action is indicated.

Mr. Singer: Mr. Speaker, again before the orders of the day, I have another question on a different topic for the hon. Attorney-General of which notice has been given.

Would the hon. Attorney-General advise this House about the progress of his appeal concerning the disposition of the charges laid against Magistrate Hall in connection with the findings of Judge Joseph Sweet in the York Township probe?

Hon. Mr. Roberts: This refers to an appeal by the accused, I presume, to the Supreme Court of Canada from the judgment of the Court of Appeal for Ontario setting aside the acquittal by the trial court and ordering a new trial. I understand that this case is on the present list for hearing at the present sitting of the Supreme Court of Canada.

Mr. Singer: Mr. Speaker, again before the orders of the day I have a question of which notice has been given addressed to the hon. Minister of Municipal Affairs (Mr. Cass).

Would the hon. Minister name all present members of the Ontario Municipal Board and give the date of their appointment?

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, if the hon. member for York Centre (Mr. Singer) would direct his

eye this way instead of to the former hon. Minister (Mr. Warrender), I would be delighted to reply.

The membership and organization of the Ontario Municipal Board, Mr. Speaker, now is as follows:

J. A. Kennedy, chairman, appointed October 1, 1956; R. L. Kennedy, vice-chairman, appointed February 15, 1951; J. R. Turnbull, vice-chairman, appointed June 1, 1960; A. H. Arrell, Q.C., vice-chairman, appointed June 30, 1961; and the following members: W. Greenwood, appointed January 1, 1953; D. Jamieson, appointed December 1, 1955; V. S. Milburn, appointed April 1, 1956; A. L. McCrae, appointed December 1, 1958; and H. E. Roberts, appointed June 30, 1961. The secretary of the board is Miss B. Vickers, appointed April 1, 1961.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, before the orders of the day, I would like to reply to the question which was asked of me by the hon. member for York South (Mr. MacDonald) on December 15. I should point out, Mr. Speaker, that this was the last day of the fall session and while there was some suggestion yesterday of undue delay, actually only one day's sitting of this House has intervened.

The question regarded an alleged meeting which was supposed to have been held by a group in Smiths Falls to interview applicants for a supposed vacancy in a local L.C.B.O. store.

I wish to advise the hon. member that the whole matter of hiring a new employee for the Smiths Falls store was entirely without substance in that there was not then, nor is there now, any vacancy to be filled.

It is not the practice of the L.C.B.O. either, to suggest that prospective employees apply to anyone but the board, and I submit that we can hardly therefore be held accountable for the actions of any individual or group of individuals who may decide they want to consider non-existent or even existing staff vacancies. I might add that the liquor board receives many applications and recommendations from people in all walks of life, including many recommendations from hon. members in this House, from all parties, including both Opposition groups. We have no way of knowing, nor do we care, whether such recommendations result from a meeting of any group—political or otherwise. We are interested in the people who apply or are recommended and the qualifications of such person only are taken into consideration.

Hon. Mr. Robarts: Mr. Speaker, before the orders of the day I would like to make a statement.

For some time, a special committee of the Cabinet under the chairmanship of the hon. Allan Grossman, Ontario's Chief Liquor Commissioner, has been reviewing the provisions of The Liquor Control Act and the policy of the government in relation thereto.

The purpose of this study has been to assure that the provisions of the legislation are practical and in keeping with the conditions that exist in this province today; and are designed to meet the needs and desires of our people.

In keeping with this objective we have given particularly close scrutiny to the permit system. This system was first introduced when the Liquor Control Board was formed in 1927. At that time it was necessary to have a book in which liquor purchases were recorded. Many years later, in March, 1954, this procedure was simplified and the present card system was introduced.

The purpose of first the book and, later, the card permit, was to prevent sale to minors, to those on the interdicted list and to bootleggers. Both systems were effective in this respect, but we have been well aware that the necessity of producing a permit has been a continuing source of irritation to liquor purchasers. We now propose to remove this irritation by abolishing the permit system effective April 1, 1962, at which time new permits would normally be required.

Although a permit will no longer be required, we intend to retain the necessary control over the possible sale to minors and to those on the prohibited list. A system has been devised to retain these controls.

The order form which customers fill out for each purchase and which they sign, includes a certificate similar to that which had to be signed when a permit was purchased. This means that each time a purchase is made the customer will certify that he or she is legally entitled to purchase liquor. The penalty for a false statement on this purchase order form will be the same as the penalty formerly imposed for a false statement in an application for a permit.

The certificate will mean that we can maintain our constant check on those who may attempt to buy liquor for illegal purposes. By eliminating the permit we are at the same time depriving the provincial treasury of a much needed source of revenue. Last year, the sale of permits brought in about \$1,300,000. To compensate for this

loss in revenue and, at the same time to remove another slight irritation to customers due to odd amounts in the price of the produce caused by the sales tax, we are adjusting the prices of liquor to eliminate the odd amounts, and adjusting the price to the nearest five cents.

For example, an item which presently sells for \$4.12 will be priced at \$4.15; an item which is now \$3.86 will be \$3.90.

Mr. Bryden: The hon. Prime Minister wants to take a lesson in arithmetic.

An hon. member: Who from, the hon. member?

Mr. D. C. MacDonald (York South): Not from you, certainly.

Hon. Mr. Robarts: Both these prices that I quoted include the Ontario sales tax. I would like to point out that liquor prices in Ontario are still by far the lowest in any province in Canada.

(Applause.)

This seems to be a very popular topic, Mr. Speaker.

This price change, we feel, will just about make up the loss in revenue caused by dropping the permit system. It is our feeling that the general public will welcome this change and be glad to pay the extra few pennies to avoid the nuisance of buying a permit and having to produce it every time they make a purchase.

Also in keeping with our desire to tailor our liquor provisions to modern-day conditions, we propose to redefine the meaning of "residence" under the Act. Where a person is legally residing in a camp, it will now be legal for him to consume liquor within that area. This will preclude the likelihood of past situations whereby, for example, a person occupying a tent could be charged with an offence because of a technical interpretation of the term "residence." For example, you will all recall that a magistrate ruled he had no authority to decide that a person drinking outside his tent was not legally consuming in his "residence."

We also propose to redefine and clarify the meaning of a "public place" under the Act to avoid situations occurring in the past where magistrates have dismissed charges because they ruled that "licensed premises" do not constitute a "public place" within the meaning of the Act. For example, magistrates have dismissed charges of vagrancy and so on when these offences occurred in "licensed premises."

I would like also to announce, Mr. Speaker, that the budget paid for by the provincial treasury to finance the work of the Alcoholism and Drug Addiction Research Foundation will amount this year to \$1,065,000, which is an increase of \$225,000 over last year. A greatly expanded programme is to be introduced by the hon. Minister of Health (Mr. Dymond) for the foundation in our attack on the problem of alcoholism in this province. This entire programme will be given to the House in detail by the hon. Minister of Health when he introduces his estimates.

Mr. Speaker, I would say that the Cabinet committee is continuing its intensive study of the legislation in regard to the sale and control of liquor. I anticipate there will be further changes brought before the House when this committee completes its study and makes its final recommendation.

Mr. Singer: Mr. Speaker, might I address a question to the hon. Prime Minister (Mr. Robarts) in regard to the statement that he has just made? These changes that he proposes—are these to be made by regulation or are they going to be made by statutory amendment? In brief, are we going to have an opportunity to debate these, particularly the one concerning the replacing of the permit with a declaration? It would seem to me that we are replacing one piece of paper with another, and the second piece of paper that we are going to have is not going to be of any value unless we have a great army of civil servants to check up on them.

Hon. Mr. Robarts: Mr. Speaker, that particular phase of these amendments and changes will require legislation and therefore the hon. member (Mr. Singer) will have an opportunity to make his comments later.

Mr. Speaker: Orders of the day.

SPEECH FROM THE THRONE

Mr. L. Troy (Nipissing): Mr. Speaker, my first observation in this important debate is to commend you for the courtesies which you have shown and continue to show me, and I couple in that statement also the members of your staff. Whatever the reason, I note also, sir, that you are more relaxed in this session than in the two previous sessions I had the honour to sit in this House.

I extend congratulations to the newly seated member, the hon. member for Brant (Mr. Nixon) who succeeds that late beloved gentleman, Harry Nixon, who sat in here for so

many years; and to the hon. member for Kenora (Mr. Gibson) who succeeds that great champion of the north, the late Albert Wren; and also to the newly seated hon. member for Beaches (Mr. Harris) who succeeds another fine gentleman, the late William Collings.

Before I get into the burden of my speech there is something I would like to bring to the attention of the House which follows a statement that the hon. Minister of Education (Mr. Robarts) made yesterday. Yesterday the hon. Minister dismissed a question, which I asked, as semi-frivolous. It was not asked frivolously or even semi-frivolously, even though such was the way it was answered and was treated by the marionettes from the other side.

The hon. Minister also went on in his answer to say that a staff member of the Ontario College of Education was not reflecting the policy of the government because the college is in fact part of the University of Toronto. I wonder if the hon. Minister made his reply knowing that the present dean of the college was appointed some four years ago, and by the Cabinet of his predecessor.

The present dean, I understand, was not appointed on the recommendation of his immediate predecessor at the college, nor on the recommendation of the then acting president of the University of Toronto. Because the president of the university declined to make the recommendation for his appointment, the University of Toronto board of governors were unable to approve the appointment. It was for these reasons that the government of the day, after legal consultations, decided to make the appointment by an order-in-council and that was done. It is my understanding that the present dean who, if the University of Toronto were in charge of the college, would be retired this year because of age, has been granted a year's extension by the present hon. Minister.

It is also a matter of public record that the estimates of the hon. Minister of Education for the current fiscal year contain provisions for \$1,175,000 for the Ontario College of Education.

Mr. Speaker, in view of the answer by the hon. Minister yesterday, I thought I should bring these matters to the attention of this House so that the operative relationship of the Ontario College of Education and this government might be brought more effectively into focus.

Mr. Speaker, I shall add that I was glad the hon. Minister reassured this House about that aspect of educational policy I raised

yesterday concerning a peculiarly nauseating way of practising economy.

I might also call to the attention of this House a paragraph from the *Windsor Star* of February 20 under the heading "Now" by Mr. Jim Cornett:

The proposal by provincial educators that birth control is the answer to the increasing cost of public education is a pip, a real lulu.

He goes on to refer to the statement and he finishes with this sentence:

It is frightening to think that we have men in responsible positions coming out with such nonsense.

I think I shall again repeat that statement:

It is frightening to think that we have men in responsible positions—

and, I might add, those men that are engaged in the training of young men and women to go out to our schools to teach our children,

—coming out with such nonsense.

I extend my felicitations to the new hon. Prime Minister of Ontario who now wears the mantle of leadership of the government. I had heard long before the recent PC convention that our dear John in Ottawa had given the nod of approval to big John here—and like big John of the ballad he is wide of shoulder and slim of hip—and that the result was a foregone conclusion.

Be that as it may, I wish you well, hon. leader of the government, in your dual duties of Prime Minister and also Minister of Education. Your predecessor in office found the duties of the premiership quite onerous and there is an old Irish saying that says, "Be careful of the lazy man's load".

Since you are chained to your seat daily in this House as the leader of the government, it seems to me that the important Department of Education will suffer, but possibly you are of the opinion that there is no one in the House now who can handle one job as well as you can handle both portfolios.

My acquaintance with the former leader of the government, the hon. member for Victoria (Mr. Frost), was somewhat short-lived, but it was long enough to know that he was a master of timing. I wish him well in his present role and recall, for his attention, the old saying that "Old soldiers never die."

My congratulations to the new hon. members of the inner circle whose loyalty to their new leader has been recognized and I must say I offer my condolences to those others

who failed to receive promotion. References have already been made by the hon. member for York South (Mr. MacDonald) to the game of musical chairs and so I shall not labour that point here.

I am pleased to see that the new hon. Minister of Mines (Mr. Wardrope)—I believe he is down the line now, I do not see him here—is once more a northerner and a member for a riding in which a number of mines are located. I think some of the atmosphere of the mining camp has had an exhilarating effect on him.

Certainly I hope he does not make the mistake of a former hon. Minister of Mines in this government—who later was hon. Provincial Treasurer and later hon. Prime Minister of Ontario—who was speaking to a convention of mining prospectors and chuckled about his ignorance of mining.

Those who were his former charges, the present hon. Minister's former charges, I am sure will miss his joviality. But I warn him it will take more than joviality and the glad hand to run that very important department so vital to the life blood of this province and, in particular, northern Ontario. I wish him well.

It is apropos, I think, when I mention mining, that I call attention to the fact that the town of Timmins, that capital of the Porcupine gold camp, is celebrating this year its golden jubilee. For the benefit of those from the southern climes, they have a celebration in February and then those who do not like the rigorous climate of northern Ontario can come up in the summer time. It is readily accessible by air, rail and by Trans-Canada Highway No. 11. I hesitate to say Trans-Canada Highway because I may offend those where the highway runs in southern Ontario.

Hon. members will find the Porcupine camp a most friendly area. There are all kinds of diversities there including bear hunting. Mayor DelVillano will assist hon. members in this particular feature.

Hon. members of this House will recall that during the last session when the hon. member for Halton (Mr. Hall), was extolling the virtues of the government during the debate on the budget—I am sure he must have had his tongue in cheek—he blandly stated that patronage had been abolished in 1943 when this present government came to power.

I commend to the hon. members of this House and particularly to the Chief Commissioner of the Liquor Control Board (Mr. Grossman) the practice of the hon.

Minister from the historic riding of Kingston (Mr. Nickle) who delegates to the Canadian Legion in his community the responsibility for selecting personnel for temporary employment at the retail outlet stores of the Liquor Control Board of Ontario. The same practice I know is pursued by my very good friend and wartime comrade, the hon. member for Parry Sound (Mr. A. Johnston).

The hon. member for Victoria (Mr. Frost) has often stated in this House and outside this House that there is a veterans preference in the public service of Ontario. After listening for many years to complaints at veterans' gatherings, I say the only thing strong about it is the odour. It is something that is more honoured in the breach than the observance.

It was my understanding, too, that the government in its winter works programme has directed that priority should be given to employable persons who were either on municipal relief or were drawing unemployment insurance benefits. I am sure in the ridings in which the hon. members of the government party are running scared—and that riding certainly is Nipissing—such is not the case. In fact, the Progressive Conservative committees in the riding are ignoring municipal authorities and like small-time dictators are directing the government agencies as to who should be employed. It is just another example of the arrogance of the minions of this party.

I shall enlarge on this later, particularly during the estimates under which the Liquor Control Board comes. I know before the session concluded in December I had asked a question of the commissioner (Mr. Grossman). I finally got an answer after four days. He could have given me the answer off the cuff, because his answer was entirely different from what I find in the area about which I inquired.

Now reference has been made by other speakers in this debate to the recent campaign for the Progressive Conservative leadership, which culminated as expected in the elevation of the hon. Minister of Education (Mr. Robarts) as leader of the Progressive-Conservative party and later the seat of honour as the hon. Prime Minister of this province.

Several aspects of this campaign were rather interesting, such as the general tone which seemed to me not a battle between rivals of political parties, rather than a struggle between brothers for seniority in the family household.

Also worthy of slight thought was the left-handed tributes to their former leader, the hon. member for Victoria (Mr. Frost), whom they seemed to damn with faint praise. All but one had been members of the Cabinet for some time and one a government stalwart for several decades. One would think that they would have had some voice in government policy in the expansion and development of this province, particularly in the development of what is so fondly called the treasure house of this province, the great area known to all hon. members as northern Ontario.

As they travelled the northland and gave their pitches to their prospective delegates, they sang the same refrain that they had been humming ever since I came to that wonderful region.

I listened to the hon. Attorney-General (Mr. Roberts) in his visit to the north. "I know the north, its people, its vernacular. I can take the abuse of the north better than any other candidate," he said. No wonder he was repudiated by the delegates just as he has been repudiated twice in this House during the present session and more recently—in fact, twice—by the *Toronto Globe and Mail*, which certainly is not a paper that supports my party. Recently, I believe in this morning's paper, I read something—I should say it was not commendation, it was castigation. I commend to the hon. leader of the government the final paragraph in that editorial.

Abuse—that is his word for our earnest pleas for some return for the boundless wealth that has flowed down from the Laurentian hills to southern Ontario.

Again this member of the team that sat on the left of his former leader is quoted:

If I were Premier I would want a close chain of command or closer liaisons with the problems of the north.

Apparently it is a slap at his old captain.

Northern ridings have great potentials in agriculture, lumber, minerals, hydro power. These natural resources would be developed quickly or slowly depending on leadership.

The presumption is that the former hon. Prime Minister did not give that dynamic leadership that the hon. Attorney-General would give. To him it would be full-speed-ahead up north, to the tune of Cannonball—hon. members know, of TV fame—but also, alas and alack, the poor north will never have that dynamic leadership that the hon. Attorney-General offered.

The hon. Attorney-General was a favourite son —

Mr. Speaker: I wonder if the hon. member would permit me one moment? I would point out that I am not calling the hon. member to order.

If the House will permit me it is my pleasure at this time to introduce to hon. members of this House a distinguished guest from across the seas. I do it at this time because our distinguished guest has very limited time. It is always an honour to welcome representatives of a member nation of our Commonwealth. On the first day of October, 1960, the Federation of Nigeria became an independent, self-governing nation. Upon achieving this independence, the federation decided of its own free will to remain a member of the British Commonwealth of Nations.

Our province has a close and rather intimate association with Nigeria, through the fact that an increasing number of young people from the federation have chosen to pursue advanced studies in our educational institutions.

It is an honour and privilege to present to this House Senator, the Honourable, Chief, Doctor Majekodunmi, Master of Arts, Doctor of Medicine, Fellow of the Royal College of Physicians, Dublin, Ireland, Minister of Health for the Federation of Nigeria.

Sir, on behalf of the hon. members of this House and the people of Ontario, may I extend to you the hand of brotherhood and wish that you would take to your hon. Prime Minister and the hon. members of your House our greetings and best wishes.

Mr. Troy: Mr. Speaker, I am sure all within this honourable House will say that was a very pleasant interlude.

Returning to my speech, the hon. Attorney-General (Mr. Roberts) was a favourite son of the *Toronto Telegram*. To the "Tely" he was that rare mixture in political life—a man who knows how to get things done without rocking the boat. Unfortunately for him, the boat has been rocked by other hands and, to borrow from the hon. member for Victoria (Mr. Frost), he is tottering on the bridge. The *Toronto Telegram* dubbed him as a humble man.

In his fruitful quest, the hon. Attorney-General visited Peterborough, where he brushed off the Liberal opposition as inconsequential. In effect, he said there: "Elect me as your leader and I shall conduct such a dynamic campaign throughout this province that I will wipe the platter clean of the Opposition."

An hon. member: How about the by-election?

Mr. Troy: Now, Mr. Speaker, is this humility? Braggadocio it is in my book. Probably that would be the only kind of a house the hon. Attorney-General might govern. The hon. Attorney-General visited Nipissing on its Remembrance Day a year ago; and there this humble man gathered with local party stalwarts and they had quite a ball. They characterized the occasion with gay railery; and showing his knowledge of the classics the hon. Minister referred to the Trojan horse, and boasted at the next election he and his party would storm the walls of Troy.

An hon. member: How about that?

Mr. Troy: Little did the hon. Attorney-General realize that a year later the wily Ulysses would be gone; he who had guided the paths of the Conservatives for 12 years would be no longer there.

Up in the Lakehead country the hon. Attorney-General played his cards pretty close to his vest; although he said he knew the north he certainly was no northern plunger. He said: "Give me the leadership, give me four seats in the next election"—what a pipe dream—"and I will give you another Cabinet post."

The hon. Minister of Energy Resources (Mr. Macaulay)—that was the title he carried in the campaign, and now he is a triune figure in the government dynasty—with one breath found the leadership of the former hon. Prime Minister of inestimable value and in the next gasp warned that the Conservatives will elect few members in northern Ontario ridings unless the party adopted a dynamic programme of northern development.

He had said, I understand, in Kingston: "In every three or four years we go up north and talk about development—we go up there and we do not see them until four years later." He could not have made a more devastating comment about his party than I could myself. I am sure if Diogenes entered this House he would go straight with his lantern to the seat of the hon. Minister of Economics and Development (Mr. Macaulay) because from him came the bold truth. His party and this government have failed dismally in their stewardship.

I ask the hon. members of this House to reflect here that the hon. Minister has been a member of the Cabinet for a number of years; he has been a member of the govern-

ment even longer; and this government has been in power for 18 years that I have lived up in northern Ontario. What use did he make of his dynamic qualities then, as a member of the Cabinet, as member of the government? In his leader's house, was it the family dictum that young men must be seen but not heard?

The hon. Minister now at the right hand of the new leader bemoaned pettishly that his opponents—and I quote his own words as recorded—some I may call my colleagues—were not prepared to discuss the needs of such a programme. This admission by the Cabinet Minister indicates that his colleagues were not prepared to discuss it. The north, I assure this House, will retaliate in kind.

He also prophesied that the image of Leslie Frost would wane and he warned, as I declare now, northern Ontario will not buy the same bill of goods again. Again I reiterate, what an admission from a member of the government that has been in power for the past 18 years.

Now I prophesy, if given the opportunity, the people of this province will awaken from their lethargy, and the prediction of the hon. Minister will be a reality not only in northern Ontario but in the whole province.

They will not buy this bill of goods again; and the death-bed repentance is too late. We have seen the results in three of the by-elections—two members are sitting here now in my party, one is to come—and certainly in a riding which is a very key riding, the riding of Renfrew South, of which the former member had been a Minister of this government.

The hon. Minister, in his campaign in northern Ontario, promised a special Cabinet to expand the development of Ontario's northland and set up and achieve certain goals in northern Ontario development. Briefs and presentations would be solicited and meetings would be held to find views and aspirations of the north.

For many years in this House there stood a true son of the north—a man who served his country well in war, who bore to his grave the scars of that service and who later served his people and this province with equal distinction. Who better than he presented to this House the hopes and the dreams of northern Ontario—which he traversed time and again from the Quebec border through to Manitoba by sea, by land and in the air and also on Shank's mare? That was the late member for Kenora (Mr. Wren); and did you listen to him? No;

except, I understand in the recent by-election where there were all kinds of promises of what was going to be done—things the late Albert Wren had been pleading for for years.

I ask the hon. Prime Minister and the other hon. Ministers to pore through their *Hansard*, to read and re-read the speeches of the late Albert Wren. They would not listen to his voice; at least they should now take heed to his call from the grave.

A further indication that this government is falling apart at the seams and that jealousy is raising its ugly head may be gleaned from the report and caustic comment at Sarnia of the hon. Minister who was the campaign manager for the then and still hon. Provincial Treasurer (Mr. Allan). With one fell swoop the former hon. Minister of Highways (Mr. Cass) cut the opponents of his boy down to size. "They have not a clue about many of the matters that concern the operations of the Ontario government," was his cryptic summation of the calibre of the six other candidates. Who should know any better than he? Because he was a member of that council.

The most bitter critic of this government could only have emulated that vitriolic statement. What an admission by a member of the executive council of the province of Ontario! However, I do not think the hon. Provincial Treasurer could know too much about the north because in the regional office—I brought this out before the sales tax, the retail sales tax—in northern Ontario, and an area in which is included all kinds of French-Canadian merchants—in some places the majority of people are French Canadian—in the whole office there is not one who can speak the French language. That does not show he knows too much about northern Ontario.

Cabinet Ministers, the hon. Provincial Treasurer (Mr. Allan) observed in one speech, should get away from Toronto a great deal more than they do. The people of Ontario will soon see that his objective is reached. In fact, some of them will be in quieter pastures permanently and there they will have *carte blanche* to do what they will.

Changes would be rung if he were leader, warned the hon. member for Dufferin-Simcoe (Mr. Downer).

An hon. member: Have you ever read—

Mr. Troy: I must say I have read it over several times, but then I was so amazed at the things, that I stumbled over it again.

"Government would be restored, I say again, to the elected representatives of the people," said the hon. member for Dufferin-Simcoe. Too many boards and commissions running things now in his opinion. With that statement I heartily agree.

Incidentally, at the time he made this statement the hon. member was a member of one of the commissions himself, and I do not know, but I presume he still is. As far as I know the axe has not fallen.

"Let us give the government back to the people." Then he threw almost I might say a right-cross to the hon. Minister of Education (Mr. Roberts): "Our system of education is badly in need of overhaul."

And to the delight of us in the gallery as he came out swinging, roundhouse with both fists, one at his former leader, the other at the hon. Provincial Treasurer:

"The sales tax is a nuisance tax." Then again, as we have said: "Too much arbitrary direction from the top. The further this way this tendency leads us the more expensive and inefficient this system gets."

No one on this side of the House could make a more caustic comment about the government. He truly echoed the continuing criticisms of Her Majesty's loyal Opposition.

A large number of Conservatives apparently agreed with him, as the balloting at their convention revealed. I listened to those remarks of his to a northern audience and I could not say anything better. "The north has not been getting a square deal. A great deal of the wealth of southern Ontario comes from the north. Money from natural resources and local industry is funneled southward whereas I should like to see", said the hon. member, "the entire production process and its profits remain in the north."

He must have been reading our mail, too, because he said he would restore The Department of Northern Development. The hon. members of this House will know that we on this side of the House have been clamouring for a ministry of northern affairs.

A Conservative supporter is supposed to have characterized the new leader as being "a touch of Frost". Others apparently hope that he is a whole lot more than that, because in the last election the PC's lost 13 seats and then some in the by-elections. At that time he did not know of the events to come.

According to those who followed the campaign the hon. Minister of Education promised no major policy changes, but one feature writer said he planned a careful and honest

study of public and separate schools. I agree with him that a study of the problems that affect these two systems is overdue.

Maintenance of party solidarity was to be another objective, and from the rumblings and tremors that one hears both in and out of this honourable House, the new leader is going to have a job on his hands as he performs his dual task.

The jovial qualities of the hon. Minister of Mines (Mr. Wardrope), as I mentioned before, are going to be missed by his former charges.

The hon. Minister of Health (Mr. Dymond) also toured northern Ontario and his slim support by the delegates was a surprise to many observers, including myself, because his appeal was not so local, his aim was to develop the province in its entirety. With that aim I cannot disagree, but unfortunately we in the north do not have our rightful place in that broad picture. We in northern Ontario basked not only in autumn sunshine last autumn, but we were also in the glow of the political limelight. As the editor of the North Bay *Daily Nugget* wrote in one of his columns:

Never was a northland wooed so ardently but we ask like the shy maiden, "What are your intentions, John?"

I want now to refer particularly to some of the problems of northern Ontario. I find that very few people in the southern part of the province know much about the vast area that we call northern Ontario. I suppose there are very few in this House that realize the first commercial establishment in the part of Canada which we now know as Ontario was set up on the banks of Lake Nipissing by Jean Nicolet who was one of the team of Champlain. Very few know that the Trans-Canada route for many decades passed through the heart of my riding.

Northern Ontario is more than four times the size of southern Ontario in area, but it has only one resident for every eight in the southern part of the province. The population is thin on the ground and the distances are very great. These facts of small population, immense areas, great distances between communities, create many of our problems in the north.

I think of the handicaps of the farmers: the growing season is short, the local markets for the sale of produce are small. High transportation costs in bringing in fertilizer, machinery, equipment and other supplies and in shipping out our products have a stifling

effect on this industry. Farming is a high cost industry in northern Ontario and as a result many of the farmers are leaving the land.

But this need not be so. Our agricultural land is most suitable for the production of forage and vegetable crops. Northern Ontario potatoes rank with the best in the country and have won many awards at national fairs. The provincial government could do a whole lot more than they are doing now and than they have done in the past to help our northern Ontario farmers.

I read here a recommendation from the farmers' organization in northeastern Ontario. It points out that due to the high cost of transportation of chemical fertilizers to northern Ontario and the ever-increasing need of improving soil fertility, a policy similar to the lime transportation policy on lime purchases from southern Ontario would be beneficial. This amounts to 75 per cent of the cost of freight or truck charges. More on that in the estimates of The Department of Agriculture.

As the hon. Minister of Economics and other things (Mr. Macaulay) has said, the high-priced help—and I refer to his colleagues in the Cabinet—go up north every four years or so, make a lot of promises and then return south, as somebody has said, to clip coupons. Only when the stock market fails do they think of our northland—also at certain times in elections.

Help could be made available and will be made available by my party, when we take over the reins of government, in the form of long-term loans through farm co-operatives. This would enable them to build and operate storage facilities so that they could give assistance to farmers and farm co-operatives in the development of processing of our farm products and also in the development of facilities such as abattoirs, canneries and so forth. Thus it would be possible for our farmers in northern Ontario to market their crops at a price that would compete with operations in other parts of Ontario.

We in northern Ontario want to preserve the farm as an economic unit that can and will sustain the farmer and his family and at the same time provide the people of this province with farm products at reasonable prices.

Moreover, government assistance, as I pointed out, in freight rates would go a long way towards helping our farmers and also all other industries in northern Ontario. With sound development and proper planning this area could be, to coin a phrase as used by the then hon. Minister of Commerce and

Development, the brightest star on the world's horizon.

Yes, Mr. Speaker, as the hon. member for Dufferin-Simcoe (Mr. Downer) said, northern Ontario is a treasure house of natural resources. Our forests and mines produce one dollar out of every 11 of the dollars that are earned annually from all activities in Ontario. Our minerals and our forest products have to compete in the markets of the world. High freight rates, high production costs, which are likely to rise with the integration of the northern Ontario properties with southern Hydro, reduce the abilities of these industries to compete. We on this side of the House recognize the needs of our forest and our mining industries now increasingly challenged by foreign competitors. We realize the necessity of keeping our industry in northern Ontario competitive, profitable and expanding so that present jobs will be secured and new ones created. Only through enlightened policies of forest management, exploration for minerals, taxation of our natural resources—including the logging tax—only, I repeat, by enlightened policies will our basic industries of northern Ontario have the long-term security, the flexibility and strength they need to meet the newest challenges hurled at this province as a trading province.

This government has been in office more than 18 years and it has been unable to provide that security.

I could touch on the highways of the north, I will not expand more on it until later, but after all the years—in 1941, I think it was, the ribbon was cut at the Sturgeon River near Geraldton—still Highway 11 has not yet been completed from Atikokan to Fort Francis and it is 90 miles in length there. There is a causeway completed but I do not know when the road is going to be completed. Then they say the Trans-Canada Highway, No. 17, will be completed in 1963. I understand, though I have not been over the road recently, that it is a long way from Trans-Canada Highway standards.

We certainly do need roads to our resources, to our forest resources. We need access roads; we need roads that run north and south. I do not know why there is still the opposition, apparently on the other side, for not connecting the great metropolis of Sudbury with the town of Timmins. We have the connection between Timmins and Chapleau and then on to Highway 17, but we need these north and south highways.

One of our great industries, one of our greatest resources in northern Ontario, is the

tourist industry, but we do need access roads to get at other areas from which the people of the north will develop their economy.

I conclude, Mr. Speaker, the party of which I am a member has long been identified as a party in favour of immigration, in favour of development, in favour of realistic freight rates. It was the party that did those things and it is the party that will make growth and expansion a reality. We did it once, we will do so again.

Hon. G. C. Wardrope (Minister of Mines): Mr. Speaker, in rising to take part in the Throne debate, I would like to state first that I welcome heartily the new hon. members to this House.

The hon. member for Brant (Mr. Nixon), who is a son of a great father that I knew in this House for many years and that I knew at the time he was Premier of this province. A very fine gentleman who made a great contribution to the political life of Ontario and the agricultural field. I congratulate his son and welcome him to this House.

Also the new hon. member for Kenora (Mr. Gibson) who will be a northern colleague and who will add, I know, his voice and knowledge of the north to help develop that great part of the province. I congratulate him and welcome him as well.

And to our new hon. member for Toronto Beaches (Mr. Harris), a very fine young man who fought a great fight in the last election. I congratulate and welcome him to our ranks in this House, and to the hon. member for Eglinton (Mr. Reilly), another fine young gentleman whom we wish to congratulate and welcome as an hon. member of this House.

Mr. A. J. Reaume (Essex North): How many votes did he get?

Hon. Mr. Wardrope: Well, of course, he got a little more than the hon. member for Essex North (Mr. Reaume) did, I think, the first time he was elected.

Now, I want to say that I wish to congratulate and thank the Speaker, for his handling of the affairs of this House. I think we should understand, gentlemen, that the Speaker's position is a very difficult one to handle. I think we should consider at all times that courtesy and consideration of his rulings and his position is a necessity here and I think we should try, we older members of this House, to set an example to the new younger hon. members who have come to our ranks, to show them that this is not any kind of a bull ring but the top debating legislative assembly in this province.

I want to congratulate the hon. member for Nipissing (Mr. Troy) on a very fine talk. From some of the things he said and after a great many years in the north, I can hardly recognize the place he depicted in his remarks about these broken-down roads and other things. I would tell any strangers to that part of Ontario if they wish to take a car from Toronto and go either Highway 17 or Highway 11 they can go clean across their province on almost all pavement of which everybody in our end of the province is proud.

There is the new hon. member from Kenora (Mr. Gibson), he will tell hon. members that both ways from his town of Dryden there is beautiful pavement. I will tell him in a little while how many improvements he has had in his own town during the regime of the Conservative government.

I have also heard the Opposition talk about "Why do you not do this, why do you not do that?" Well, my answer to that is this: we people of Ontario believe in orderly progress and steady growth, we wish to build soundly, but to maintain a constant development in our material and social aspects. We wish to advance with vision and foresight. Now I think hon. members will agree with that.

Now I am coming to the part where hon. members say "Why do you not do this? Why do you not do that?" On the other hand, there is no limit to things we would like the government of our province to do for us. That is why we are here and Opposition hon. members are over there. Those in power have to consider how all social advantages have to be paid for, indeed, have to be paid for out of the pockets of our people. Sometimes when I am listening to some hon. members opposite talk, I often wonder if they ever think of that. If they really believe what they say, thank goodness they are not in power in the province.

Here is something; it is the usual cry of politicians out of power—and mark that "out of power," Mr. Speaker—that they will, if elected, reduce taxes and at the same time step up social services and other expensive programmes. I think the public of our province, Mr. Speaker, is too astute to be fooled by such appeals as we hear from the Opposition. It will not work. I would just say this—

Interjections by hon. members.

Mr. Speaker: Order, order. I would point out that the hon. Minister does not need any assistance with his speech.

An hon. member: Well, I do not know about that!

Mr. Speaker: I know it is appreciated by all hon. members of this House when they are speaking, not to be interrupted too much. Up to this point I have assured and seen to it that every hon. member of this House has had a good, fair hearing and I intend to continue along that line.

Hon. Mr. Wardrope: Thank you very much, Mr. Speaker.

I think the public of our province is too astute to be fooled by such appeals, as I mentioned, and they will not work. That policy will not work in your own business, it will not work at your town, township, village or at city level.

Many of you men who have been in councils—for instance the former mayor of Windsor (Mr. Reaume) knows what he was like when he was in the mayor's chair—he did not go along with every new improvement and try to raise his taxes. He has changed his tune since he has been in here; he knows the province of Ontario has no miraculous way of obtaining money except from the people of this province.

This means that the level of provincial expenditures for the people is limited to what the people of Ontario can afford to pay. It often makes me think, Mr. Speaker—when they are talking and demanding about giving the people everything they ask for—about the mouse who got down in the basement of the brewery one night and he was running around the edge of this big barrel full of whiskey and he fell in. He started to sip it and after a while he got a little bit tipsy and he started to drown and he started to yell: "Save me, save me, I am drowning."

The hon. leader of the Opposition will love this story, because he heard it in Renfrew.

And the cat heard him and came along and said, "What is the matter?" He said, "I am drowning, save me, save me." The cat said, "All right, I will provided you are here at 6 o'clock tomorrow night to give me my supper!"

"Anything you say, anything you say but save me." So the cat reached down and pulled him out of the barrel and the mouse staggered away to his hole, and the next night at 6 o'clock the cat was down there for his supper, and no mouse.

Finally he looked around and he saw this little nose sticking out of a hole and he

said, "You are a nice one to keep your word, Mr. Mouse, I thought you said last night if I saved you, you would be here to serve me with my supper tonight."

"Oh, yes," the mouse replied, "but last night I was drunk, I did not know what I was talking about." That would be the way our Opposition would handle what they are saying today, if they were ever elected.

I think that some of the hon. members do not know what they are talking about very often and that is why they ask things that are impossible to give.

To continue, Mr. Speaker, I would say that what we need in this province is a lot of conservation coupled with utilization and those two things must go along together. This is a province with a wealth of natural resources and we must, and we do most assiduously, develop to the betterment of our people all these natural resources. And where necessary we must conserve and replenish for our children and our children's children. Now that is what we should be doing. The great—

Mr. R. C. Edwards (Wentworth): The hon. Minister made a better speech for the leadership.

Hon. Mr. Wardrobe: Well, it is very kind of the hon. member to say so; I hope he will enjoy this one.

I think that we have made great strides in this government in the field of education of which our hon. Prime Minister (Mr. Robarts) is the head. We all believe that the wealth of a country is dependent on the skill and ability of its people and we can no longer afford to waste even a small percentage, Mr. Speaker, of this great natural resource, which is our younger generation.

We should, in stages, extend the scope of educational opportunities to the highest levels, so that we, as a province, are assured of the most effective use of our industrial power by our brain power. Any money invested in this, Mr. Speaker, will pay ample dividends. That is why I was so proud to hear our hon. Prime Minister announce yesterday that the Lakehead University now had full degree-granting privileges. This is a great boon to the whole of northwestern Ontario, and I know that our boys and girls will be greatly pleased.

Even the hon. member for Kenora (Mr. Gibson) will agree that before they had to go either to Winnipeg, down to the States or to Toronto; to one of the other great universities. Now we have that facility, it is a great

step forward; again a step put into effect by this government over here. Equal opportunity for all, that is our policy.

Welfare; hon. members all know what this government has done about welfare, Mr. Speaker. In welfare I feel we need the positive rehabilitation approach rather than passive charity. I think our people want that. No one among us wants to see suffering and distress, but equally we hate to see unworthy or illegal draining of our welfare facilities. We should, I believe, give greater consideration to helping people to help themselves; rehabilitating them to useful respected positions in society.

I remember an old couplet I heard in years gone by, that said: "the heaviest load a man or woman can carry down the afternoon pathway of life is an empty purse." How true that is, gentlemen. We are, today, looking after our aged people. We are looking after those that are less fortunate; we are looking after our unemployed.

I said last year, and it still holds good, that as far as this government is concerned, no one in this province will suffer. And that is true and can be proven. People are not suffering today, or if they are, it is because they have not been brought to our attention. That policy will continue, Mr. Speaker, as everyone on our side of the House knows.

The hon. member for Nipissing (Mr. Troy) spoke about roads, highways. This province has built the finest road system anywhere in the world, and it needs to. With such widespread natural resources, good transportation is a necessity, we agree. We have fine roads; we must keep them that way, moving with the times and carefully expanding as circumstances dictate.

Today we are putting in roads up in the area of the hon. member for Kenora that are costing millions of dollars. He knows about them—

Mr. R. W. Gibson (Kenora): Two decades to do it, too. It started 15 years ago.

Hon. Mr. Wardrobe: Did it, did it? Hon. members will hear what has been spent and built-up over 15 years, I will give them an outline a little later on in this talk.

Then in Lands and Forests, Mr. Speaker, another great facet of this government—the hon. Minister (Mr. Spooner) is here now. I know of no province with a finer record than ours with regard to The Department of Lands and Forests, and I know of no section of our province in which wise conservation is such

a sure investment. This is our heritage, we must ensure that no prodigal sons are allowed to squander it now or in the future.

We have heard our new hon. Minister of Economics (Mr. Macaulay) bringing in some of his new proposals. He is a young man for whom I have great admiration; who will make a place for himself in the future of this province, and who before very long will bring in projects that will make this province hum as it never did before. Mark that and put it down in your book, you hon. members in the Opposition.

Judicial planning of the use of our natural resources in this modern age implies many considerations. Inevitably we will always have the economic ebb and flow, and, of course, instability, this always causes more distress than blessings. But, Mr. Speaker, we must encourage the secondary industries as the rock of stability on which our communities of primary industries can build. We must do this by financial concessions in development areas, assuring such communities that they can depend on the province in their early periods of development and we are giving very serious thought to that facet.

Now the section of our province that the hon. member for Nipissing (Mr. Troy) spoke about—where the hon. member for Kenora (Mr. Gibson) and myself are from, namely, northwestern Ontario—is blessed with nature's bountiful gifts, in the way of timber, water and minerals. It is a supreme example of the benefits that can be ours if we plan wisely.

This is indeed a magnificent part of our province, Mr. Speaker, which must inevitably grow in economic importance. Effective utilization and conservation is the way to its future success. We must ensure that its mineral resources are made available by systematic operation; we must ensure that its land remains fertile and its timber resources are not squandered. It is a symbol of our province; it is one key to our future prosperity.

Speaking about the development in that area, Mr. Speaker—I have heard so much about unemployment, about a depressed economy and things of this kind, that it is amazing to me how our Opposition and the Opposition in other parts of this country seem to think they can fool the people by telling them untruths, and I will say untruths.

For instance, I will just give you a few barometers recently of how our economy is getting on. Disciples of the Opposition parties, opposed to everything constructive that this government has done, continue to cry doom. Let us see how well their worries

are substantiated. You know, at times, Mr. Speaker, they sound like a group of advance agents for a famine. I cannot describe it in any other way but just advance agents for a famine.

I listened to the federal Legislature down in Ottawa, and it amazes me as to how they continually can become so gloomy. And the N.D.P.s—now they have reason for a bit of gloom themselves; they have somebody to "Argue" with. Somebody said to me the other day: "I noticed the Opposition members being handed little papers from the back of their seats to ask questions and so on"; and the thought occurred to me that they had their Doctor Upper but we have our Wally Downer, so I think that we are on an equal plane with them in refuting anything that they may bring forward. So just tell that to Doctor Upper, boys, when he brings in the next note.

The Prudential Insurance Company of America, one of the world's greatest financial institutions, summed up the prospects for 1962—you can read it for yourself if you like in the *Bay Street Journal*—and it says this:

Canada's gross national product will show the biggest rise in six years during 1962 . . . gross national product will show an increase of 7.3 per cent, bringing the GNP to a new high of \$39.4 billion.

An inventory change from liquidation to accumulation, of \$470 million.

An increase of \$580 million, or eight per cent, in government spending.

An increase of \$1.3 billion, or 5.3 per cent in consumer spending.

A 5 per cent increase in exports with imports held to a 2 per cent increase.

Long term growth will depend upon the success of efforts to improve trade balance, and promote secondary manufacturing.

That is one. You have read the policies that we are enunciating here and getting going, and the policies in Ottawa that are being put in high gear, and what I am trying to do, Mr. Speaker, is to get all the other Canadians in this legislative chamber to come along with both our new provincial and federal programmes.

The *Financial Post* of February 3 pointed to these signs of the times:

Canadian totals. Increase of 1.2 per cent in housing starts in fourth quarter of 1961 over same period in 1960. Retail sales increased 3.8 per cent in November over previous month. Iron ore shipments in

November, 1961, up 22 per cent from November, 1960, to 1,178,500 tons. Iron ore exports up 18 per cent. Shipments to Canadian steel mills up 39 per cent. Reversed trend of first eight months of the year as steel mills renewed activity.

Naturally, Mr. Speaker, this government and the government at Ottawa are seriously concerned when unemployment reaches serious proportions. But these governments, unlike their Opposition, do more than talk about it. The concern is still present but D.B.S. figures show very definitely that the situation is improving; and I might say that last night the leader of the Liberal party agreed that the trend had been reversed and was now improving, I am glad to say.

In this December, when seasonal unemployment is near its worst, the temporary increase was the smallest in any year since 1955—115,000 fewer jobless than there were the previous year at the same time. For the last 5 months of 1961 the number of unemployed was less than in the same period of 1960.

Mr. Gibson: What does that prove?

Hon. Mr. Wardrope: That conditions generally are becoming better. Now, I know the hon. member would not know anything about this up in Kenora because he has got full employment there; he never has anything to worry about. He is from the far west part. It is a very nice place, I agree.

Now, Mr. Speaker—

Mr. B. Newman (Windsor-Walkerville): He is giving figures about Windsor now.

Hon. Mr. Wardrope: Windsor—well Windsor is not so bad.

Activity in the construction trade is always considered a sure barometer of economic health, I think you will agree. We can therefore take great encouragement from the fact, as recorded in the *Financial Post* of February 10, that the value of contracts awarded in January was 19.5 per cent higher than for the corresponding months of 1961. The total for all of Canada was \$230,213,000 an increase of \$37.6 million over January, 1961. In Ontario last month's total was \$113.8 million, an increase of \$17.8 million over the previous January. Metropolitan Toronto's—we will get down to the hon. member sitting right opposite me there with studious posture, to his great city—Metropolitan Toronto's share of the contracts of last month was \$44.4 million, an immense gain of 124.2 per cent over January, 1961. And they cried blues!

Mr. Speaker, to indicate that this increase for last month was not just a short-term improvement, let me point to the figures for all of 1961 as opposed to the total for 1960.

The year's increase in the value of construction permits was \$167,187,000 to a grand total of \$3,220,937,300. The Metropolitan Toronto area alone accounted for \$420.8 million, an increase of 8.6 per cent over the 1960 total. Now, these are figures that can be proven. I will give them to the Opposition if they wish, the papers they came out of and the facts behind them, yet they cry doom and gloom, unemployment, we are terrible, and so on. Of course, the hon. members have got to try to get elected; I will admit it, I do not blame them.

Mr. Speaker, lest there be any doubt that my own part of this province—and I would like the hon. member for Kenora (Mr. Gibson), the hon. member for Rainy River (Mr. Noden) to listen—lest there be any doubts that my own part of this province is moving ahead at a rapid rate, let me point out that the advances there in the last year have been over a broad front and they embrace great expansion of the region's industrial output.

Extension of grain storage and shipping facilities, the addition of new power generation and natural gas installation, new forest products and mining enterprises, new merchandising and distribution outlets, new branch banks and financial offices, expanded educational, hospital and government facilities, new communication and transportation services, highways construction and improvement programme, activities to provide increased accommodation for the mounting surge of tourists—Mr. Speaker, I have lived in Port Arthur since 1919, and I have never seen an increase in any part of Canada like there has been in northwestern Ontario in the last three or four years. I am not talking as a boy who has been there for a very few years. I have been there before these boys were born and saw what it was like at that time.

I was under the Liberal regime in the thirties when there were soup kitchens in the city of Port Arthur, when there were roads that you could not drive over. The Liberals stopped construction on Highway 17 when they came to power after the Bennett government, they would not do anything on Highway 11. I could go on and speak for hours about the days of poverty and joblessness in that area under the old Liberal regime.

More than \$25 million in new construction

was begun during 1961, and there is every indication that the pace will continue throughout this year.

Some of the more important individual developments during the past year, and the hon. members across there will recognize them, were: at Dryden, which is the home town of the hon. member for Kenora—Dryden Chemicals Limited, a \$4.5 million plant; Port Arthur—Canada Malting Limited, \$5 million storage expansion; Bell Telephone, \$2.5 million line—Lakehead to Dryden; Fort William—Great Lakes Paper Company, a \$3.5 million addition to plant; Port Arthur—Provincial Paper, a \$2.5 million addition to their mill; Port Arthur—Brayshaw's Steel, \$300,000 plant; Fort William—Canadian Car Limited, expanding services, personnel now over 700; Sapawe—James Mathieu Lumber Limited, \$500,000 sawmill and chipping plant, expanded woods staff to 400; Fort William to build a \$1 million hotel; Nipigon—Northern Plywoods Limited—

An hon. member: What did the government have to do with it?

Hon. Mr. Wardrobe: It could never have been done if this government had not been in power. And I am giving just last year's figures, this has been going on for years. If the roads had not been built by this government, if the hon. George Drew when he was Premier had not stopped the export of pulpwood, there would not be a pulp mill in our area. These things were done by a Conservative government, not a Liberal one.

Kenora—Trilake Lumber Limited, new wood treatment plant; B & B Stone—Fort William—to merge Supercrete plant with proposed new \$200,000 plant; Sioux Lookout—Forest Products Limited, incorporated by local interests to develop district resources. We built a new road for them and a bridge to do that. Rainy River—Ontario Sphagnum Moss Limited, to develop peat moss resources—a local enterprise which my good friend from there (Mr. Noden) has so much to do with; Pickle Lake—Fish Processing Plant, capacity 1 million pounds per year; Motorways Freight Terminal at Port Arthur; Trans-Air Limited, inaugurating passenger service—Winnipeg to Fort Frances; Steep Rock—Hugh Roberts open pit being developed, to ship in 1962; Nickel Mining and Smelting, up in my friend's area—Wurner Lake—\$35 million development to produce nickel in 1926; a \$1.5 million road to be built which was decided about two months ago and now the hon. member says, "Where is the road?"

If it had been under a Liberal regime, it would not even have been decided upon. We have spent \$50 million in the Kenora riding in the last 10 years.

An hon. member: What do we get for it?

Hon. Mr. Wardrobe: Do not talk foolishness.

Consolidated Mosher—Geraldton—began production January, 1962: CanFer has announced production for 1963, rate 1 million tons annually; Red Lake—six gold mines expanded operations in 1961; Lindsay Explorations Limited, carrying exploration and development work—near Sapawe; Anaconda—exploration and development of big iron ore body. Well, I have become so enthused to see what this government has done that I cannot understand how any of the hon. members have the heart to criticize.

Now just let me tell you something about highways, Mr. Speaker. The Department of Highways—

Mr. T. D. Thomas (Oshawa): What about Elliot Lake?

Hon. Mr. Wardrobe: Well, unfortunately we have nothing to do with Elliot Lake. All we do is look after the people. We cannot supply the market, but we are supplying a market—do not write Elliot Lake off. As Minister of Mines I am telling hon. members not to write Elliot Lake off. Uranium will be of value again, perhaps before they think.

Mr. V. M. Singer (York Centre): In spite of Robert Winters.

Hon. Mr. Wardrobe: Now, The Department of Highways—planned or under construction. Somebody mentioned—I think it was the hon. member for Nipissing (Mr. Troy)—the Rainy Lake causeway. We are going to try to get it called the Bill Noden causeway. A project of greater value than \$5 million, across a tremendous lake, and we are going to take hon. members up there this summer to see it. The hon. Minister of Lands and Forests (Mr. Spooner) I hope will make the announcement later. But here is a wonderful piece of construction, and the road from the Lakehead through to Winnipeg will be completed in three years, too. Put that in your pipe and smoke it.

And the roads in Geraldton, Longlac, Manitouwadge area, Savant Lake, Picke Lake, highway connection to Trans-Canada; Atikokan—Fort Frances road under construction; the new Pigeon River road and bridge.

The hon. member for Fort William (Mr. Chapple) knows all this, but when he gets on his feet he dodges around and asks about something that has not been done.

Mr. J. Chapple (Fort William): But nobody can drive on them.

Hon. Mr. Wardrope: How did the hon. member (Mr. Chapple) get down here?

Mr. Chapple: I flew; what else?

Hon. Mr. Wardrope: Well, I have been over that road as many times as the hon. member has, and if anybody says, after they have ridden over it, that that road is not in beautiful shape, I will give them \$100. Definitely. But I would want somebody in the Opposition to prove it; I would not take their word.

The Department of Health, hospital construction—new or additions at Kenora, Port Arthur and Geraldton. What about the new addition to Kenora's hospital?

The Department of Education—vocational training schools at Kenora, Dryden, Port Arthur and Geraldton; total cost \$4 million.

Federal government—school for Indian children at Fort Frances; Seaway Terminal at Lakehead to be completed this year, \$8.5 million; a branch of the Industrial Development Bank at Port Arthur.

Mr. Speaker, when I hear the northern members decry this government, honestly I hide my head in shame. They go around crying gloom and doom. And gloom- and doom-mongers in this day and age are doing one thing—they are selling Canada short; they are emissaries against good selling for Canada. And that is what I object to.

I do not object to these hon. members opposite trying to get into power. That is natural in politics. But I do object to them harming the Canadian economy and upsetting people's minds in telling things that are not factual. And I always think, **Mr. Speaker,** that this party of ours has been a party of optimism and enlargement and constant advance. In other words, let me give you a little—

Interjections by hon. members.

Mr. Speaker: I remind the hon. members very respectfully once again that the hon. Minister (Mr. Wardrope) requires no help with his speech. We have given good order to all the hon. members so far this session, and I would like that to continue. I can guarantee the hon. members who follow the

present speaker that they will receive order, too. I would ask the hon. members to bear that in mind.

Hon. Mr. Wardrope: Thank you, **Mr. Speaker.**

Now, I would just like to bring to your attention something that points up what I mean in this gloom and doom thing. Because this party is a party of builders and there is an old poem that goes like this:

I watched them tearing a building down,
A husky gang in a busy town.
With the old heave-ho and a lusty yell,
They swung a beam and a sidewall fell.
I said to the foreman, "Are these men skilled;

The kind you would hire if you wanted to build?"

He gave a laugh and said, "No indeed.
Common labour is all I need.

I can wreck in a day or two

What others have taken a year to do."

I thought to myself as I went my way,
"Which of these roles am I trying to play?"

Am I a builder who works with care,

Living my life by the rule and square,

Living my life to a well made plan,

Trying to help everybody I can?

Or am I a wrecker who walks the town

Content with the labour of tearing down?"

Mr. Speaker, that is something I pass on to the Opposition. We are trying to build Canada, we are trying to build the economy of this province, and constantly we are hindered and decidedly disheartened by the actions of those who are wrecking and pulling down. I would like to tell them that in the future, there is some advice and information that I pass on to them: "Try to get into the field of builders with the rest of us to make Ontario the great place that we are trying to make it for the future of all our citizens, both young and old."

Mr. N. Davison (Hamilton East): **Mr. Speaker,** I would first like to congratulate you on the marvellous job you are doing. I would like to also congratulate our new hon. Prime Minister and welcome the new hon. members to this House.

I want to deal first with a matter that has caused general annoyance across Ontario and, in many cases, genuine hardship. I refer to the 3 per cent provincial sales tax.

Now, as you know, we of the New Democratic Party opposed this provincial sales tax and we are still of the opinion that it was neither desirable nor necessary to establish this tax. However, this Conservative

government, with the help of the hon. Liberal members to my right, saw fit to impose this additional tax burden on the people of Ontario and I suppose we will have to live with it, at least until the next provincial election.

But the Act has in its present regulations many that are unreasonable. For instance, the Canadian Girls In Training, which is a group of young girls attached to various churches, raise money by selling little bags of candy from house to house for 25 cents. According to the regulations, this is taxable. Now I know the hon. Provincial Treasurer (Mr. Allan) caused the sales tax to be waived in this particular case and I suppose in other similar cases but surely the regulation should be changed to exempt groups like this and other charitable and service organizations. Another more outstanding case was the sale of poppies by our war veterans.

The most unfair aspect of this provincial sales tax, to my mind, is the method by which it is computed. It is really a compound tax, because when an article is sold the 11 per cent federal sales tax—where it applies—is calculated and added to the selling price. Then the 3 per cent provincial sales tax is calculated on the total arrived at by adding together the selling price and the federal sales tax, so that the provincial sales tax is not 3 per cent but is much nearer to being 4 per cent. It is actually 3.6 per cent.

If this government is not prepared to rescind the provincial sales tax—and I don't suppose it would ever take such a progressive step—I urge that it cause the provincial sales tax to be applied to the actual selling price before the federal sales tax of 11 per cent is added.

While I am on the matter of regulations, I would like to tell you of a case I had in Hamilton in connection with hospital insurance. A resident in my riding applied for admission to the maternity ward of a hospital in Hamilton. When her husband was discussing her admission, he asked for nothing more than the standard ward accommodation to which his insurance entitled him.

Following the delivery of the child, he was alarmed to discover his wife was in a semi-private room. He discussed this with the nurse on duty and she told him they were unable to provide standard ward accommodation for his wife but that he would not be expected to pay the higher rate for the semi-private room. However, in the course of time, he was billed for the difference in the two rates. He protested to the hospital and was told this was correct.

Now, most people would drop the matter here and pay the difference. Fortunately, he brought the case to my attention. I took it up with the hospital and got the same reply. I then followed it up with the commission and they, of course, agreed that it was the responsibility of the hospital to provide accommodation and if it was necessary to provide higher priced accommodation than that requested and covered by the applicant's insurance, the applicant was not required to pay the difference in emergency cases.

Of course this story had a satisfactory ending but I am convinced that the situation has been repeated many times in many communities with the result that the individuals just paid and made no further protest. It seems, therefore, desirable that Ontario hospitals be required to post this information in their admitting rooms and further that they be instructed to draw this matter to the attention of the incoming patient and/or the person accepting financial responsibility for their hospitalization.

Before leaving this point, I do want to make it clear that at no time did I feel the hospital was making a deliberate misrepresentation. It was, I know, an honest misunderstanding on their part. My point is that I do not feel an area of possible misunderstanding should be allowed to exist and that they should be cleared up as they arise, and I want to commend the hospital commission on their prompt and thorough action in this case.

I noticed that the Throne speech pointed out that 95 per cent of Ontario citizens were covered by the hospital insurance plan. I suspect that the remaining 5 per cent is composed of the very people most in need of this coverage. I refer to the old age pensioner, those unemployed people on unemployment insurance benefits, those in receipt of low wages whose employers are not required to deduct for this protection because they employ fewer than 15 people, those in domestic service and so on.

The hon. Minister can, and no doubt will, say that the old age pensioner who is solely dependent upon his pension is not denied hospitalization even if he does not pay his hospital insurance premiums. This is true, but if he is hospitalized under these circumstances he must, except for a small sum for spending money, turn over his pension cheque to the hospital.

What happens to his personal property such as furniture, clothing and so on when he is unable to retain his room or pay for storage I do not know, and I do not suppose

this government worries about such things. Nor do they worry about where he goes when he is released from the hospital because obviously he must then look for new living quarters.

The pensioners, like all the others I mentioned, must pay their hospital insurance premiums three months at a time. It would be difficult for them to meet the \$2.10 individual monthly premium or the \$4.20 monthly family premium. It is impossible in nearly every one of these cases for them to pay a three-month premium at one time. So of course the result is that they drop this protection.

But an even worse fate awaits the man who transfers from a group plan to pay direct. He is billed four, five, six up to nine months in advance. If he leaves the group plan because he has been laid off or pensioned off and therefore his income has been drastically cut, and he then gets a bill from the hospital commission for \$25.20 or even more, he just decides there and then that he obviously cannot afford this type of insurance and he lets it lapse.

Hon. members may say that this is short-sighted, but if I had to house, clothe and feed my family on \$36 a week, if I am lucky enough to draw unemployment insurance, my decision might have to be the same. Today, hospital insurance is provided on a means test basis for persons whose annual income is \$960 or less. This is a totally unrealistic ceiling and should be increased immediately. In addition, the provincial government should pay the premiums for heads of households who become unemployed and are on either unemployment insurance or general welfare assistance.

I have recently had several cases of parents faced with the necessity of placing a retarded child in one of our provincial hospital schools. I have never yet been able to have the child admitted immediately. Although the doctors in charge agree they should be admitted immediately, the best they could do was to give them a high priority rating on the long waiting list because of the lack of accommodation.

Obviously this shortage must prevail across Ontario and I suggest, unless current building will take care, not only of our present needs, but those of the next few years, this situation will become even more serious than it is today. My suggestion is that a number of small building projects be undertaken immediately right across the province, so that parents have an opportunity to visit their

children as often as possible. These smaller establishments could be used for children who do not require a high degree of clinical care, and we can reserve the large hospital schools for the more serious cases.

Unless the hon. members here have actually had some first-hand knowledge of the difficulties these parents undergo, it would be hard for them to understand the need. I am sure the hon. Minister of Health (Mr. Dymond) must be aware of the problems created by a severely retarded child. More often than not the parents are in financial difficulties and are living in crowded quarters which makes an already almost impossible situation even worse.

The city of Hamilton has appealed to the hon. Minister of Education (Mr. Robarts) to have a technical school for the training and retraining of the unemployed established in Hamilton. However, the hon. Minister has seen fit to by-pass Hamilton and establish one in London. Clearly this is an indication of a lack of planning, and I shall explain why.

In the January 31 issue of the *Labour Gazette*, there is a very interesting table, classifying the labour market areas across Canada for December. Hamilton is listed as having a moderate labour surplus, while London is shown as being approximately in balance. I might add that only four other places in Canada are fortunate enough to be in this classification and there is no listing under the classification of labour shortage. So London is in the most preferred listing. Yet this is the place where this government saw fit to build a school to train or retrain the unemployed! I might also suggest that that is where the hon. Prime Minister lives.

Hamilton is an industrial city and, as such, is very sensitive to the slightest depression in our economy. The first to be laid off and the last to be returned to work is the unskilled worker. At the end of January, we had 16,306 people seeking employment and this represents roughly 10 per cent of our labour force in Hamilton.

While I admit this would seem to represent an improvement over last winter, I am not convinced that this is a true picture. I say this because the number of people on our relief rolls has increased from 6,531 to 7,181. In money, this represents an increase of \$64,000, from \$166,000 a year ago, to \$230,000 this year, for the month of December. This also represents an increase of \$7 on a per capita basis of those on relief.

A considerable portion of this increase is caused by people who have been unemployed

so long that they have exhausted unemployment insurance benefits and must now be supported by public welfare. These people could well have benefited from a retraining programme. A new school is desperately needed in Hamilton to accommodate them. Many would need an up-grading in the field of general education as well, and this could certainly be given at least in the subjects related to the trade in which they desire to be trained.

Now I know this is not looked on with any great favour by this government but the need is there. The February 1 issue of the *Observer*, a publication of the United Church, outlines a pilot project which several Toronto churches are undertaking to provide elementary grade education to the unemployed in their neighbourhood. Some of these people quit school at grades 2 and 4—not because they wanted to but because of family problems.

It is a good thing that someone has accepted a responsibility that really belongs to The Department of Education of this province. I cannot urge too strongly that a school be established immediately in Hamilton and that, in addition to training in various trades, courses be given in general education at both elementary and secondary school levels.

I had an interesting experience the other day. It seems that patronage dies hard in Ontario. Actually I am convinced that it will never die with either a Conservative or Liberal government, since its seems obvious their parties have been built on this system. However, I had a visit from a man seeking employment with the province of Ontario. He came to me because he was told that it was useless to apply unless he had the support of his member.

This was not someone trying to make a fast buck through some well paid contract with the government. He was just a man seeking a job to provide his family with the necessities of life. We can look back at the big scandals of contracts let to political friends, and to people being given inside information on stock deals such as Northern Ontario Natural Gas, and these are bad enough; but it never stops there. It seeps down until even the most minor job becomes the victim of the patronage system.

Now that we have a new hon. Minister of Labour (Mr. Warrender), I am wondering if we can expect some changes in The Labour Relations Act. I do hope that the peevish attitude which the hon. Minister displayed when he was unable to force the union to

agree with the demands of the Royal York Hotel does not indicate that he will look upon labour's requests for changes in the Act with disfavour. I would expect that the minimum he would do, would be to clarify labour's right to strike, particularly in view of the decision recently handed down by Justice McRuer in direct contradiction to that of Magistrate Ellmore who had declared that labour had no right under the Act to strike. This has been taken to the Ontario Supreme Court and they agree with Justice McRuer.

It would take a foolish man indeed to deny working people their only economic weapon in labour disputes—that of their right to collectively withhold their labour. I am sure the hon. Minister is not that foolish.

However, we do have some very foolish representatives in the various levels of government. And I am sure the hon. Liberal members to my right will be interested in the story of one of their party members, who is an alderman representing ward four in Hamilton, and how some less foolish Liberals on city council managed to bail him out.

As some of the hon. members will know, the Operating Engineers Union in Hamilton was forced to strike their members who were employed by the city of Hamilton. While this union was on strike, and during the time that negotiations were also under way with the Hospital Workers Union, whose members are employed in the city-owned hospitals, Liberal Alderman Kostyk was foolish enough to move in city council to have workers in all the city's essential services, as well as transportation, subjected to the process of compulsory arbitration.

Now the senior alderman in ward four is Alderman Powell who is a trade unionist, and it would have seemed proper that he be allowed to speak on this subject on which he is extremely well informed. But Alderman Kostyk had previously given notice of his motion, and some of his more knowing Liberal friends on city council were prepared to bail him out. Liberal friend number one was Mayor Jackson, who quickly recognized Liberal friend number two Alderman John Munro, the Liberal Federal candidate in Hamilton East, who moved a motion that it be sent to the legislative and reception committee. In the course of time the committee sent the motion back to the city council with a recommendation of non-concurrence, and no one voted against the recommendation.

Now I do not really think Mayor Jackson and Alderman Munro are really very well

informed on trade union matters, because Alderman Munro especially is like a lot of other Conservative and Liberal politicians who run around claiming a knowledge of the trade union movement on the strength of a union card they gained as school boys working a couple of months during their summer holidays.

However, following the notice of motion, the trade union movement made their thinking very clear because there was not a trade unionist in Hamilton that did not know the type of contract these workers would have to accept once they were deprived of their right to strike. They all knew that this would be the opening wedge to spread compulsory arbitration into other union operations.

In case there is any doubt in the minds of the hon. members that Alderman Kostyk is a Liberal, I point out that he is an executive member of the Hamilton East Liberal Association.

Section 89 of The Labour Relations Act should be deleted because it is being used in negotiations as a threat by the municipalities. You will recall, Mr. Speaker, that this is the section that permits a municipality to remove its employees out from under The Labour Relations Act, even though their union is properly certified and has in fact

been operating under a signed contract. During the negotiations of the Hospital Workers Union in Hamilton, a member of the hospital board of governors publicly stated through the press that it might be necessary to invoke this section.

This is a type of blackmail designed to force the union to take whatever settlement the city offers. Kitchener used the same threat and there are others.

I am sure it was never the intention of this House that this become a weapon in the hands of the employer but that is how it is being used at this time.

Mr. A. H. Cowling (High Park): Mr. Speaker, I move the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, in moving the adjournment of the House we will go on tomorrow to second readings—anything on the order paper might be called—and the Throne debate.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.30 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, February 22, 1962

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 22, 1962

The House met at 3 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery St. Anselm's Separate School, Toronto and in the west gallery Our Lady of Perpetual Help Separate School, Toronto and Our Lady of Fatima Separate School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, before the orders of the day I have a question I would like to ask the hon. Minister of Labour (Mr. Warrender), a copy of which has been given to him. Since the sport of skiing is experiencing the greatest boom of modern outdoor sports and so many ski tows are now in operation and others are in the stage of construction, would the hon. Minister advise if ski lifts and ski tows are inspected by his department? I specifically ask this question because of a fatal accident that happened in the State of Michigan not too long ago.

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, in answer to this question posed by the hon. member, I think I should give some specific information as to the operation of ski lifts and ski tows.

At the present time there are in operation in Ontario 175 ski tows and 5 chair lifts, that is, ski lifts. All of them are licensed by The Department of Labour and all of them are inspected at least once a year by the inspector of the elevator inspection branch of the department. Sometimes chair lifts will be operated in summer seasons for sight-seeing. If they are so operated, they will be inspected twice a year.

Drawings and specifications of all new ski lifts and tows must be submitted to The Department of Labour for approval by our engineers before construction and installation may proceed. Upon completion it will be tested and inspected before a licence is issued and it may be put into operation. During the present fiscal year specifications and plans for 35 new tows and lifts were examined and approved.

Mr. Newman: My thanks to the hon. Minister.

Mr. L. Troy (Nipissing): Mr. Speaker, I have two questions to ask the hon. Minister of Economics (Mr. Macaulay). The first question is: Does the government plan to reorganize the Ontario Northland Railway Commission?

Hon. R. W. Macaulay (Minister of Economics): I would say to the hon. member that the answer to the question which he has asked cannot be given in a yes or no fashion. The department at the moment has undertaken a three-prong survey in relation to the Ontario Northland Railway Commission and it will depend on the recommendations which come out of that survey as to what policy we will contemplate in connection with it.

I would, however, say that the surveys are designed to look into the operations of the railway, their integration with the northern development programme which the government will be announcing in the House before long, as well as our economic programme for the development of the province, to see that the railway will be in a position to carry out its functions in the most efficient and advantageous manner. When the survey is made available to the government—which I hope will be in a matter of a few months—I will be in a better position to give a direct answer to the question which the hon. member raised.

Mr. Troy: Just as a supplementary question: does the hon. Minister not agree then that the programme, that is, reorganization, is in order?

The second question: will the report of the preliminary survey made to determine the feasibility of the port of Moosonee as an ocean port be tabled in the House and, if so, when?

Hon. Mr. Macaulay: There has been no preliminary report, of which I am aware, of the nature referred to in the question of the hon. member. There has been, and I referred to it in the House some time ago, a report prepared by the federal Department of Mines which was a hydrographic, hydro-metric, topographic and soil test survey. Is this the one to which the hon. member refers?

Mr. Troy: That is right.

Hon. Mr. Macaulay: This is not a feasibility report.

Mr. Troy: Well, I presume it has something to do with feasibility of Moosonee as a port?

Hon. Mr. Macaulay: No, it does not.

Mr. Troy: It does not?

Hon. Mr. Macaulay: No.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I would like to address another question to the hon. Minister of Energy Resources (Mr. Macaulay), a copy of which I have submitted to him through you.

Has the Langford committee reported on the problems related to gas storage; secondly, will the House have an opportunity to discuss the recommendations of the Langford report before the energy board makes a decision on Imperial Oil's application for a sizeable storage area?

Hon. Mr. Macaulay: I can only say in answer to the hon. member's question, part 1, that the report has not yet been received. However, I am advised it will be available before very long. That is, within the next few weeks.

As to the answer to the second question, the energy board has power to deal with applications which are made in relation to storage, but the board has been asked not to deal with the application of Imperial Oil until such time as the Langford report is available. Now, I want the hon. member to understand that I have given no undertaking as to debate here in the House in relation to this; all I say is that the energy board's decision in relation to this matter will not be given until such time as the Langford report is available and the

board is made aware of the policy of the government.

Mr. MacDonald: Mr. Speaker, I wonder if I might ask a supplementary question. Is the hon. Minister then in effect saying that the government will come to a decision on the Langford committee report without an opportunity for debate in this House?

Hon. Mr. Macaulay: No, I am not saying that; all I am saying is that the report is not yet available and when the report is available the government will make known both to the House and to the energy board what its policy is in this matter.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before the orders of the day, I should like to give the House an outline of the recommendations which I propose to make in connection with the representation of the people of Ontario in the legislative assembly and the redistribution of electoral districts.

The last redistribution of seats took place in 1954 and was handled by a select committee consisting of hon. members from both sides of the House. As I recall, the committee was unanimous in its recommendations. The situation which confronted the legislative assembly and the select committee in 1954 was in most respects similar to the conditions that exist today and which in my opinion again make it imperative that steps should be taken to provide for a more realistic and complete representation of our people in this assembly. By 1954 our population had grown tremendously and there had been marked changes in its concentration. The urban centres, particularly Metropolitan Toronto, had expanded much more rapidly than other parts of Ontario, some of which indeed had experienced little or no change.

The amendments which were made in The Representation Act at that time reflected the increase in our total population and the build-up of population in specific areas. You will recall that there were eight new constituencies established at that time, three of which were in Metropolitan Toronto and one each in the Sudbury, Ottawa, Hamilton, London and Oshawa-Ontario county areas. As I say, the situation today is very similar to that of 1954.

Since the last redistribution, our total population has increased from approximately 5,200,000 to 6,300,000, which is slightly more than a 20 per cent rise. The population increase has not been spread evenly over Ontario and a great deal of the increase has occurred in the urban areas of the province.

For example, a very rough estimate suggests that while the total population of the province has increased by about 20 per cent since 1954, the population of the municipality of Metropolitan Toronto has jumped upward by at least 25 per cent, with even greater increases in some of the townships and towns bordering on, or just beyond the borders of, Metropolitan Toronto.

Within Metropolitan Toronto itself, the population of the city proper has remained static since 1954 while the increase in the entire area has taken place in the suburban municipalities which have mushroomed. So not only has a definite disproportion developed in the representation, between Metropolitan Toronto and the whole province, but also as between the various parts which make up Metropolitan Toronto itself. Disproportion, I would say, to a much lesser degree exists in other parts of the province.

The population in several of the electoral districts has become extremely large and this has placed a very heavy burden upon the members themselves, making it difficult for them to represent the interests of all their constituents as fully as they might desire.

There can be no disagreement that fairness to hon. members involved and the best interests of the people they represent, warrant our taking steps to adjust constituency boundaries in order to bring about a more equitable distribution of seats in the House.

A great deal of thought has been given, Mr. Speaker, to the method by which these ends might be achieved most satisfactorily. As I understand it, the previous practice has been to refer the matter to a select committee representative of all parties in the House and thoroughly familiar with the problems involved.

However, in view of the very close study which must be given population trends, concentration of population in certain areas, the development of certain political entities within our province and the traditional boundaries of many of our electoral districts of lesser expansion, it is considered that this task might better be handled at this time by an independent commission with full powers to investigate these matters which I have mentioned.

(Applause)

I am delighted to observe that I can do something which will get complete approbation from the other side of the House.

Mr. Speaker, I intend therefore to recommend that this House, by resolution, appoint a commission consisting of three impartial

and independent persons who would inquire into the distribution of electoral districts and recommend to the assembly such changes and additions as they deem appropriate.

I shall also recommend that the House instruct the commission in formulating its recommendations to take into consideration the population picture, the varying conditions and requirements of representation as between rural and urban areas; the traditional boundaries of the electoral districts of the province; the community or diversity of interests of the population of the various districts; the means of communication and the physical features within various areas and, with particular reference to rural electoral districts, the existing municipal boundaries.

Having reached its conclusions, the commission would be expected to make its report to this House. I assume that a major factor in the commission's deliberations will be the figures contained in the reports of the 1961 census.

Those reports have not yet been completed. When they do become available I shall take the necessary steps in this House to give effect to the plans which I have outlined to you and which I am sure you will agree are a reasonable approach to the problem of insuring the fullest measure of democracy and efficiency in the operation of our system of parliamentary government, and adequate and effective representation for the people of our province.

Mr. V. M. Singer (York Centre): Mr. Speaker, may I ask, before I make these remarks, just one question of the hon. Prime Minister (Mr. Robarts)? I was not too clear in my mind whether the task to be assigned to the independent commission is going to recommend actual redistribution, or recommend principles on which it should be based.

Hon. Mr. Robarts: Mr. Speaker, it is my intention that it will recommend actual redistribution.

Mr. Singer: Mr. Speaker, I wish to commend the hon. Prime Minister for taking this step. To my mind, and I think certainly to the minds of my hon. colleagues here—

Mr. Speaker: Is there any point of order?

Mr. Singer: Yes, Mr. Speaker, I think there is. I think that the hon. Prime Minister has made a statement and surely someone on this side is entitled to say something to it.

Mr. Speaker: Hon. Ministers are expected to make statements such as this. It is their duty to make them. It does not necessarily mean that it sponsors a debate on the matter of the statement.

Mr. Singer: Well, Mr. Speaker, I thought the government would be happy to hear us say some nice things about them for a change.

Mr. MacDonald: Mr. Speaker, I have a question I would like to ask the hon. Prime Minister (Mr. Robarts), but would you permit me this one brief comment? We are running into difficulties here, sir, and that is if the government—

Interjections by hon. members.

Mr. MacDonald: I have a very good idea who is going to be leaving that party first and maybe he should be silent. And he will not be leaving voluntarily—from what I view from this side of the House.

Hon. Mr. Robarts: I did say that I would answer a question, but I was not prepared to sit here and listen to the comments made which are completely out of order.

Mr. MacDonald: Mr. Speaker, the point I just wanted to draw to your attention is, that I agree that it is the right of the hon. Ministers to make statements, but when the hon. Ministers make statements on a policy issue and then indicate as the hon. Prime Minister has just indicated, and a few moments ago the hon. Minister of Energy Resources (Mr. Macaulay), that we will be denied the right of a debate before that decision goes into effect, I suggest to you that this is an affront to the right of this—

Mr. Speaker: Order! A resolution to this effect will be presented, at which time full debate will be allowed.

Mr. MacDonald: But the hon. Minister of Energy Resources indicated earlier there would be no debate on the issue. However, I do not want to argue that.

My question to the hon. Prime Minister is this: can he give us some indication as to the likely timetable of this, in view of the fact that Mr. Hees indicated to the House of Commons—the day before yesterday if I recall correctly—that the census figures would be available very shortly? Is it the intention, for example, to have a report back from this commission before the end of this session, or is it the fall session?

Hon. Mr. Robarts: Mr. Hees, I believe, said that he expected the final census report to be available in June; as I read the news report this would mean that it would be impossible to get a report back this present session. But we will see how these census figures come out and what they are.

I do not know what shape they are going to take. All I know is that there is not sufficient information available from the census at this time for this commission to commence an intelligent approach to the job that I envisage they will do. However, the commission will be set up prior to the end of this current session.

Mr. Speaker: Orders of the day.

THE HOSPITAL SERVICES ACT

Hon. M. B. Dymond (Minister of Health) moves second reading of Bill No. 51, An Act to amend The Hospital Services Commission Act.

Motion agreed to; second reading of the bill.

THE PUBLIC HOSPITALS ACT

Hon. M. B. Dymond (Minister of Health) Bill No. 52, An Act to amend The Public Hospitals Act.

Mr. J. Chapple (Fort William): Mr. Speaker, on Bill 52 I would like to state that in this particular instance I cannot see why in The Public Hospitals Act the hospital commission should have the right to be responsible for hospitals—as far as cost is concerned—for the distribution of lands. There is no reason why the present system cannot be carried out, as far as hospital boards are concerned, in the handling of their own affairs. I think that the hospital services commission at the present time has all it can do to look after the area in which it is now operating. If you will look at your budget statement you will find that in the year 1960-1961 there was \$277 million handled by this particular commission. For the year 1961-1962 \$334.7 million is estimated.

We do not know, we have no indication at all, how much this particular commission will handle in 1962-1963. There does not seem to be any indication that the commission will stay within any reasonable amounts. When you have a commission that seems to be operating in this manner, and in this direction, you wonder whether you should give them control of this particular responsibility. I feel that the commission itself should

be looked into—to the point where we have a little more idea of the economies which they have, or intend to, put into force.

I have seen at the present time no indication of any economy. Anything that this particular commission asks for it gets, apparently without any criticism or any indication there is going to be any curtailing of their operation or desire. When the Blue Cross was in charge of this particular type of operation we had it within reasonable bounds. At the present time this commission does not indicate that it is going to make even an attempt to stay within reasonable bounds. Regardless of what it does, apparently we are willing to accept it. This year the government is tossing in \$32 million in lieu of asking the voters to put up more in insurance to cover the extra money which the commission says it has to have.

Giving this commission further responsibility—taking into consideration the experience we have had with it—I do not think is entirely justified. I feel that we should look at this thing very, very carefully before the bill itself is put into legislative force.

Mr. D. C. MacDonald (York South): Mr. Speaker, perhaps I could throw this in before the hon. Minister (Mr. Dymond) replies. The explanatory note states that there is no change in the principle of the bill. I think, Mr. Speaker, the problem here is that this bill is so small that it is in essence a technical matter and I do not know how one avoids detail and principle. But may I ask the hon. Minister this question? What are the circumstances that have prompted this amendment; are they detail or principle?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, this principle now exists. My hon. friend from Fort William (Mr. Chapple) speaks about holding Blue Cross within bounds. The Department of Health had this responsibility while Blue Cross was operating, and this is simply transferring it to the hospital services commission as all responsibility for general hospital was transferred in 1959. The only difference is to clarify this, beyond any doubt. Apparently there have been some questions raised by the legal people as to whether or not all land, all property belonging to the hospital board, board of governors or trustees—or whatever the body responsible may have been—as to whether or not they must apply to the commission for permission to dispose of any part of the property. This is only to make it absolutely clear that no public general hospital in this province can dispose of any of its property without prior approval by the hospital services

commission. This does not place any financial responsibility on the hospital services commission in any way whatsoever, Mr. Speaker.

Motion agreed to; second reading of the bill.

THE HUMAN RIGHTS ACT

Hon. W. K. Warrender (Minister of Labour) moves second reading of Bill No. 54, An Act to establish the Ontario Code of Human Rights and to provide for its administration.

Hon. W. K. Warrender (Minister of Labour): In rising to move second reading of Bill No. 54 I should like to say that it gives me special pleasure to place it before the House at this particular time; first, because it is Brotherhood Week—an occasion when the principle of the bill is very much in the public mind; and secondly, because the national co-chairman of this year's Brotherhood Week is the distinguished and beloved member of this House whose name will always be closely associated with our Human Rights Code. I refer, of course, to the hon. member for Victoria (Mr. Frost).

Mr. Speaker, I think all parties in the House can feel proud of the fact that our province has pioneered in this field of legislation and that the bill before us today is a further and very important step in a development which began as long ago as 1944.

Now, what is the aim of our human rights legislation? Let me quote from the remarks made here some time ago by my predecessor, the hon. member for Lincoln (Mr. Daley), who, I think, summed up its objective very well indeed:

The aim of Ontario's human rights legislation is to create at the community level a climate of understanding and mutual respect in which all our people, of whatever racial, religious or cultural background—new Canadian no less than native born—will be made to feel that all are equal in dignity and rights, that each is a part of the whole Canadian community and that each has a rich contribution to make to the development and well being of our province and nation. Few will disagree that this is a prerequisite for the development of a truly healthy Canadianism.

To the extent that this concept has been practised down through Canada's history it has brought us very great rewards—and in every aspect of our community life. Just stop to consider for a moment what our culture has gained in enrichment from the

contribution of those who have come to us from so many lands—in music, in art, in drama, in science, in education, not to mention sports.

Now, nobody would suggest that prejudice can or has been dug out of our provincial community and eliminated by the mere passage of statutes, but there is no question that its outward manifestations can and have been curbed. Through the body of laws which has been built up during the past two decades, significant advances have been made in the breaching and the removal of artificial barriers denying equality of opportunity to our fellow human beings.

The first law on our statute books was The Racial Discrimination Act of 1944 which prohibited the publication or displaying of any notice, sign, symbol or other representation expressing racial or religious discrimination. That provision was retained *in toto* in The Fair Accommodation Practices Act of 1954 and is incorporated into the bill before us today as its very first section. In 1951, the Legislature passed The Fair Employment Practices Act and three years later, as I have indicated, The Fair Accommodation Practices Act. In 1958, The Ontario Anti-Discrimination Commission Act was placed on the books and a commission was appointed to plan and conduct educational programmes designed to eliminate discriminatory practices. Last year, this House changed the name of the commission to the Ontario Human Rights Commission and redefined its functions. This House also amended The Fair Accommodation Practices Act to prohibit discrimination in the renting of dwelling units in buildings containing more than six units.

Up to the present time, The Fair Employment Practices Act and The Female Employees Fair Remuneration Act—better known as the equal pay for equal work law—have been administered in The Department of Labour by the fair employment practices branch. The Fair Accommodation Practices Act has been administered by other officers of the department. The Human Rights Commission, with its educational functions, has been a third entity operating within the context of our total human rights programme.

Now, what we propose to do is to bring all of these operations together under one roof and make the enforcement and administration of the anti-discrimination provisions, as well as the planning and carrying out of educational activities, the responsibility of the Human Rights Commission. To my mind, therefore, a very important principle is involved in Bill No. 54. Legal sanctions, as

contained in the F.E.P. and F.A.P. Acts, or alternatively, the educational programme which has been the main responsibility of the commission, are each only one side of what must be a co-ordinated, two-front assault on the problem of discrimination. Optimum results in this field, as experience indicates, can only be obtained through a marriage of law enforcement and education. The bill before us today accomplishes that marriage and, in doing so, places the province of Ontario once again in the forefront of the human rights field.

I am pleased to be able to inform the House that in the very near future we shall be announcing the appointment of a full-time officer, a distinguished and gifted citizen of our province, who will be responsible to the commission for the direction of its greatly broadened programme.

The commission, in addition to administering the legislation, will continue and accelerate its education programme. I may say that, under the leadership of Mr. Louis Fine, the commission has, during the past two years, been carrying on an intensive campaign to win active allies in its work. I am happy to inform the House that these efforts have met with notable success. We now have the active support of over 7,000 individuals throughout the province who are assisting us in a practical way. These include 1,200 clergymen of all denominations, newspaper editors, librarians, school teachers, the managers of radio and TV stations, trade unionists, hotel and resort proprietors, service clubs, women's institutes, home and school associations and the leaders of a wide variety of community organizations.

Among other things, they have assisted us in giving effective distribution to over 600,000 copies of our two main publications, "Social Justice in Ontario" and "Human Rights are in Your Hands," and of our other literature. I doubt if there is a single city, town or hamlet in Ontario in which some of this material has not been distributed in the past two years. I should mention that two editions of these publications have appeared in the French language. We have already published four issues of our bulletin, "Human Relations" and will soon produce a fifth. This publication has drawn very favourable comment from readers across Canada and it has been warmly welcomed by the Labour Committee for Human Rights and other groups in the field of civil liberties. I am sure that all hon. members of the House would want to join me in expressing our warm thanks to all those who have co-operated with us in this work.

I should like also at this time to express our very sincere appreciation to the Postmaster General of Canada who recently granted us permission to display our human rights posters in Ontario's 3,500 post offices.

Finally, Mr. Speaker, I should like to say that we have attempted, while incorporating the various provisions of our several human rights statutes into this bill, to clarify a number of points so that the protection afforded to our people will be strengthened and broadened. These matters will, of course, be discussed in detail in the committee of the whole House.

Mr. K. Bryden (Woodbine): Mr. Speaker, I would like to say at the outset that, as far as this group is concerned, we will support the principle of this bill wholeheartedly.

Hon. Mr. Warrender: I am certainly glad to know that.

Mr. Bryden: At the proper time we will make—

Mr. R. Gisborn (Wentworth East): We developed it.

Mr. Bryden: —we will make some suggestions for improvement, as we see it. But any suggestions we have are, relatively speaking, of a minor nature and there is no question that in its broad principles this is a very important bill which represents a very important step forward in this province. We, in this group, congratulate the government and the hon. Minister (Mr. Warrender) on having brought it in.

When the bill was up for first reading, Mr. Speaker, I asked the hon. Minister at the time if it incorporated any new principles or was merely a consolidation of existing legislation. As I recall his answer at the time he stated it was merely a consolidation; there were no new principles in it. I think, Mr. Speaker, that in that answer he did not really do justice to his bill. There are, as I see it, one or two new principles which are very important principles and I think they represent an important step forward.

First of all, I think it is an important principle in itself to consolidate all of this legislation into one statute. This has been quite a slow process in the province of Ontario. I will concede and give credit to the government for having brought in legislation in this general area, but, in my opinion, it has done so very slowly and often reluctantly, and in bits and pieces. It is only now really

that the government has been prepared to recognize the total subject matter of this bill as one problem, whole and indivisible.

I can remember debates in this House a decade and more ago—I was not then a member but I sat in the gallery often and listened to them—where members of the C.C.F. group of that day were enunciating that very principle and were asking for enactment of one overall comprehensive statute dealing with the entire problem of human rights. At that time it was not possible to convince the government.

In fact I can remember one occasion in this House when the original—what is the name of that old bill? I am glad we are getting rid of this name at least—Female Employees Fair Remuneration Act was first before this House. The C.C.F. members of that day urged the government very strongly that that legislation should be consolidated with such other legislation that existed at the time to deal with discrimination and that it should all be put under one commission for administration.

The hon. Prime Minister of the day, now the hon. member for Victoria (Mr. Frost), scoffed at the suggestion that was then put forward. I can remember very well he made quite an eloquent speech in which he pooh-poohed the idea that we should tell the women of this province that they are a minority. He suggested that in what I thought was a very specious argument and still do. His objection to the proposal at that time was that the women of this province were not a minority. He said we would make ourselves ridiculous by suggesting to them that they are a minority and then he went on to ask—in a question that he never quite finished: “Why, what are our wives to think of us?” And at that point Miss Agnes MacPhail, who sat on the Opposition benches, interjected: “I often wonder.”

Mr. Speaker, I am glad now to see that that rather obscurantist attitude has finally dropped out of the thinking of the government. This legislation is not really legislation for the benefit of minorities. I think it was a false premise on which the hon. Prime Minister of the day based his objection to including equal pay provisions in general legislation of this kind.

After all, all of us are in a minority in some aspects of our lives; but this is not legislation for the protection of minorities, it is legislation directed against discrimination. To put it in a more positive form: directed or aimed at establishing and confirming basic human rights. And it really

does not matter whether it is the minority or the majority that suffers. When human rights are interfered with, it is desirable that public policy should try to prevent it.

As a matter of fact, there have been cases where members of majority groups have been discriminated against.

I remember quite a remarkable case in the state of New York where a white man appealed to the Human Rights Commission of that state because he had applied for a job as an elevator operator in a residential apartment and he had been refused employment because the policy of the management was to hire coloured people only. He appealed to the commission of New York state, on the ground that he was being discriminated against on account of his colour and he won his case before the commission; and it was quite proper that he should have done so, because that was exactly what was happening.

So it is not really a problem of minorities we are dealing with; it is a problem of human attitudes and the establishment of human rights, and it is desirable that all of these matters should be consolidated into one statute as is now being done and what is even more important should be put under one single administration.

This is a second important new principle enunciated here which previously the government always resisted. I am glad now that they have accepted the logic of the situation and are putting the administration of the Act, including its enforcement, in the hands of the human rights commission. For a decade and more it was always—well, it was impossible—to persuade the government that is the way the matter should be handled. Enforcement was really in the hands of the Minister of Labour.

Even when the human rights commission was established, it was not established until just two or three years ago, but even after it was established, a complainant made his complaint to the Minister, under most of the statutes at any rate, and then the Minister was authorized, though not required, to institute certain proceedings. We all know, Mr. Speaker, that over the years it was often, in fact I would say it was usually, very, very difficult to get the then Minister of Labour to act on complaints under these various statutes.

I would go further and say that there would have been little, if any, enforcement of these statutes in the past if it had not been for the interest that the labour movement took in forwarding the cause of human rights in the province.

Hon. Mr. Warrender: That is not true.

Mr. Bryden: The labour movement has frequently been subjected to very much abuse both outside this House and sometimes, I regret to say, even inside it. But this is a field where I think, as in many others, they have shown their great interest in human rights and human welfare quite apart from any benefit that they or their members might personally derive.

They have always devoted part of their resources towards having formal educational machinery, not only for the education of their own members in matters of this kind, but also to assist in the elaboration and application of public policy. The activities of the labour movement through the joint labour committee on human rights in calling the attention of the government to violations of some of our human rights legislation in the past and in insisting, and sometimes in having to go to great lengths, to organize public pressure to get action from the government, are examples of this. In all those activities, they have performed a great service to this province in the field of human rights and I think at this time their service should be recognized.

I do not, in making specific reference to them, wish in any way to belittle the very important efforts of other organizations such as the Canadian Jewish Congress, which has also done great work in this field. But one thing that should be borne in mind is that this was a particular area where the labour movement itself could not possibly, in anybody's mind, be thought to have a vested interest of its own that it was trying to promote. Therefore, in a way, I think it may have had greater influence on public opinion than some other organizations which did very fine work as well but had a clear interest of their own in the field.

At any rate, though we now have reached the stage where we have unified administration, I regret to see that the administration is still not entirely in the hands of the commission.

The procedure for enforcement that is set forth in part 3 is certainly an improvement over the previous procedure. I still think that it is a little cumbersome and complicated. Under section 12 a complainant goes to the commission, which is good, and the commission looks into the complaint and tries to adjust it on the basis of education and persuasion if it can; that is all good. But then if it is unable to effect a settlement, the matter must go to the Minister who may then

set up a commission of inquiry, and then certain other procedures follow.

In my opinion, that is unnecessarily complicated. I would suggest, Mr. Speaker, it would be better if the government would consider putting the administration entirely in the hands of the commission. Let it try education and negotiation first but, if that does not succeed, let it hold hearings and let it make directives. Then let the enforcement procedure follow in much the same way as the Act now envisages.

I think that the machinery which is now proposed, although it is an improvement, is still unnecessarily cumbersome.

I would also like to congratulate the government on incorporating into the bill the principles set forth in section 17 which I believe was in one of the Acts being consolidated but not in the others. That is where there is a conviction, the Minister may apply to the Supreme Court for a continuing order.

I think that is a very useful enforcement procedure in those cases which I hope will be fairly few, where it is necessary to adopt punitive measures. I think probably it is more useful than the penalty that may be imposed to have the continuing order, and I am glad to see that the hon. Minister of Labour has now made that principle applicable to the whole range of human rights legislation.

There are one or two other points I would mention, Mr. Speaker. We have argued this out before. I will merely mention it at the moment.

With regard to apartment buildings, I believe that to restrict the provision to apartments or buildings with more than six self-contained dwelling units unduly limits the effect of the bill.

I would certainly say that six-plexes ought to be subject to legislation of this kind. In fact, Mr. Speaker, I would say that even smaller units should be.

I realize there is a problem of judgment here, and one does not wish to interfere in the domestic affairs of any person, but a six-plex is really quite a large building. I do not think the landlord in the six-plex has so close an association with his tenants, even if he lives in the building which is not usually the case, that he should not be asked to comply with this legislation along with all others. In fact, I would say landlords in four-plexes ought to be required to comply as well.

One other point that I would mention is

with regard to the equal pay section of the bill which is now section 5.

I notice that the government has not seen fit to improve upon the previous legislation which is now being consolidated into this statute. The prohibition against discrimination in regard to pay rates as between men and women apply only in cases where the same work is done in the same establishment. Now that is very narrow and restrictive terminology, Mr. Speaker, it means that in a very large number of cases the intent of the legislation can readily be evaded by an employer simply making a very small difference in a job that he gives to a woman as compared to one that he may give to men, yet on the basis of that he can make a very large difference in pay.

These, however, are matters of detail. As far as this group is concerned, we will deal with them again when the bill is in committee.

But, notwithstanding some of our reservations on detail, I would like to reiterate again that we regard this as a very important piece of legislation, a great step forward. Certainly the members of this group have always been extremely interested in legislation of this kind. We have for many years advocated a consolidated statute with a unified administration. In recent years even the Liberals, who a decade or more ago, when these matters were before the House, showed very little interest, are now taking a substantial interest in them. I feel quite satisfied that the principle of this bill will be adopted with enthusiasm and with unanimity by this House. I envy the hon. Minister his opportunity to present such a bill to the House, and I congratulate him on having done so.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I want to take this opportunity to tell you and the House that we of the Liberal Party are wholly in agreement with the principle of this bill, we always have been and we always will be.

There will be others in our group who will speak on this, but I do want to take this opportunity to express my commendation to the government in its efforts to improve human relations in this province and to congratulate the government for their efforts in introducing this particular piece of legislation at this time.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, I do not wish to repeat the comments of my hon. leader; however, I

would like to bring to the attention of this House the second "whereas" and that is:

And whereas it is public policy in Ontario that every person is free and equal in dignity and right without regard to race, creed, colour, nationality, ancestry or place of origin.

We still forget one bit of discrimination that we do find, and that is age discrimination. I think here we have an opportunity to show what we think of our older people. In this Act should be written in that word "age", so that an individual writing to The Department of Education would not be confronted with a reply such as the following. This was received from the Ontario College of Education, February 8, 1962.

Please note again on our printed sheet that a candidate should not be over 45 years of age.

Now, surely age alone should not disqualify an individual in the teaching profession. Were that so then possibly all teachers reaching that age should be retired instead of being allowed to continue. So I would only like to reiterate that the government should take into consideration inserting the word "age".

Mr. J. Trotter (Parkdale): Mr. Speaker, so seldom do I agree with the hon. members on the other side of the House that this is one occasion where I wanted to rise to add my words of agreement.

I think that one reason why we can all agree on the principle of this bill is that the principles that are in it are in many ways the history of our race and of our people. We in this nation have had a peculiar background where we have been—in comparison with many societies over the years that have gone by—outstanding in what we have done to help the individual. Our system of government is so greatly opposed to that of the Russian system, we emphasize the individual. That is why we can join together in agreeing that no one should be discriminated against because of their race, their creed, their nationality, colour or ancestry.

But I would like to emphasize what the previous speaker just said about age. I have in my district many people who cannot find work simply because they are over the age of 40 years and I think that we have still a long way to go in this regard.

The Apprenticeship Act forbids anyone over the age of 21 being an apprentice, and certainly this is something in the principles of our legislation we must do something to

improve. Despite the numerous occasions that have been brought to the attention of this government, they have still sat back and done nothing and I think it is time that they went to work on it.

Finally, there is the enforcing of the bill. I do think, because of the Ontario Human Rights Commission, that this can be enforced.

That body has a good reputation, and I hope that the government does its best to see to it that this bill is enforced; because if we use, as an example, how they enforce labour safety regulations, this department has got a pretty black record. I hope that, from the enforcement clauses in this bill, this department sees to it that the principles are enforced and does much to improve its poor record in this regard.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I would like to say a few words concerning this bill because, as I have suggested on a couple of occasions, I consider it to be a very important piece of legislation.

If you go back to the beginning of this type of legislation and the human rights legislation that has been introduced here, I think you will find that over the years there really has never been a sharp difference of opinion on the underlying principles between the various groups in the House.

The principles simply stated are these, and I will read this.

If you discriminate against any person because of race or creed in respect of his ordinary rights as a citizen you deny that equality which is part and parcel of our democratic way of life. If you deprive any particular group of people of the ordinary rights enjoyed by all other people then those who should be most indignant are not the people against whom the discrimination is practised but rather those whose basic principles of justice and equality have been insulted.

These, Mr. Speaker, were the actual words used 18 years ago when this particular course of legislation was commenced.

Just for a moment I would point out to you what we are trying to accomplish with legislation of this type. There are two principal and closely interrelated purposes. The first is to make secure in law the inalienable right of every person, and the second is to create at the local community level in our society a climate of understanding and mutual respect among all our people, so that every person, new Canadian no less than native born, will be afforded the unhampered opportunity to contribute his maximum to the

enrichment of our society, of our province and our nation.

I am quite certain that none of us here today has any doubt whatsoever that this measure—as well as those that have gone before and of which this is the logical and natural follower—I am sure that none of us would doubt that this legislation does reflect in large measure the conscience of the people of the province.

I would never deny that there are still pockets of prejudice in Ontario. There are matters that have been raised by other speakers here this afternoon; and I think that as time goes on we must set our minds to these problems as well. However, we must recognize, in addition, that law alone will not be sufficient to accomplish what we are after; because if law alone would make us sinless we would be certainly pure as the driven snow because we have plenty of laws in this province at the present time.

What we are really trying to do, and the purpose of the bill, is to combine the sanction clauses of the existing legislation with our extensive programme of education and enlightenment and thereby make the law the ally, if I may put it that way, of sense and decency.

I think the hon. leader of the Opposition (Mr. Wintermeyer), the hon. member for Woodbine (Mr. Bryden), and I, all realize that this bill is an important step in what we are trying to achieve. The codification of the Act will promote understanding and acceptance of the principles involved in them. What we are really attempting to do is to place education and legal sanctions together, Mr. Speaker, in one administrative setup in order that we may co-ordinate and promote the entire human rights effort of the government and of the thinking portions of our society.

Motion agreed to; second reading of the bill.

THE CROWN TIMBER ACT

Hon. J. W. Spooner (Minister of Lands and Forests) moves second reading of Bill No. 56, An Act to amend The Crown Timber Act.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, I gave an explanation on first reading and I think that the explanatory notes that are attached to the bill are quite sufficient. I would be pleased to answer questions if there are any.

Mr. MacDonald: Mr. Speaker, I am puzzled by the second section in the principle

involved in this. Up until 1953, if I recall correctly, when The Crown Timber Act was passed, there was no obligation at all upon any company for regeneration over the land in which there had been a cut. In 1953 the Act absolved the companies of all responsibility for regeneration for the cut until that date, but fixed them with the responsibility for regeneration from that date forward. I am a little curious as to why this change, which means that instead of it being a statutory obligation it is now going to be subject to negotiation and special agreement with each one of the companies.

I would like to ask, Mr. Speaker, if the hon. Minister would explain why the government has felt that this change should be made and whether it is not going to open the door to an uneven application of the law. In other words, in one area a company would be forced to carry through with a regeneration policy that is much more vigorous and in another area another company would be permitted to get away with a less vigorous regeneration policy.

Hon. Mr. Spooner: Mr. Speaker, in answer to the hon. member's question, I would remind him that the natural regeneration in the forest is not the same in all forests and for that reason, where in some cut over areas that have been affected by the forces of nature in a different degree to other places, the planting of trees is required, or some type of scarifying or similar forestry activities. In other areas the natural regeneration is more than sufficient. By having this amendment to the Act, the foresters then will be able to analyze the needs of the regeneration of the forest based upon the actual situation as it exists from time to time. From that we will be able to enter into agreement with the particular operating company or companies so that the regeneration which will be required to be assisted, that is, assisted beyond the forces of nature itself, will be decided upon for a particular area.

I do not know that I can explain it to any greater length than that. I think that gives the House the general picture of what the situation is and how the foresters intend to deal with the matter. It is not possible of course, to say immediately after an area has been cut over exactly what will have to be done to it in order to rebuild the forest. It takes time; sometimes two or three years may be sufficient and in another case it may take twice that long or even longer. So the foresters advise me that in their opinion this would be the proper method of dealing with this.

I might say that I have had officials of my department studying this question of regeneration for quite some time. We have come to the conclusion that this would be the better way of handling it rather than attempt to make some general rule that is intended to apply throughout the province when such general rules have not been found to be the logical manner of handling a situation of this type.

Mr. MacDonald: Well, Mr. Speaker, I want to thank the hon. Minister very much for his explanation. I think I now see the kind of thing that is in the government's mind and the department's mind. In fact, on two or three occasions in past estimates of his department, I had raised with his predecessor the need for the government to lay down some standards because—as I spelled out in some detail, I think, about two or three years ago after visits that I made personally in the Marathon limits and the ones just to the west—the Marathon Company operated on the basis that 85 per cent was natural regeneration; therefore you needed a little more. Whereas, just to the west a company was working on almost precisely the opposite kind of assumption that you could not count on natural regeneration, therefore you had to have a great deal of the artificial planting of trees.

As I take it, the hon. Minister is now in effect saying that you cannot lay down a standard that is applicable everywhere because you have different weather conditions, different soil conditions and everything else, therefore you are going to do it on the basis of negotiations with each company. Mr. Speaker, this is an answer to the problem that previous Ministers had indicated they were working toward, and it may be an effective answer. I think we will have to wait until experience gives us some sort of indication.

However, there is one aspect of this which still interests me, Mr. Speaker, and I would like to raise this with the hon. Minister. Is there going to be any obligation, in the agreements that are made, for a regeneration of the species that were there before—or more particularly of the premium species? There is this kind of a situation, for example, in Marathon where—because of the particular mills that they have and their product—they are not as interested in having as high a proportion of the regeneration of spruce as some other companies. Does this mean that, in effect, in the regeneration of the forests the government is willing to tolerate—because of the nature of the industry that has been estab-

lished there—a regeneration of the inferior species rather than trying to keep as high a proportion of the premium species in our forests?

Hon. Mr. Spooner: Mr. Speaker, in every instance we will attempt to improve the forest by regenerating the superior species, as the hon. member calls them.

There is another matter which should be brought to the attention of the House. At the present time, particularly in southern Ontario, we are attempting in our Crown management units and similar plans of management to regenerate the good hardwood species, and I would say that the procedure has met with much success during the past few years. But we are bearing in mind that the best forest is, of course, that which is of the species which will bring the greatest return to the economy of the province. I want to assure the hon. member and the House that those are our plans and, of course, we are dealing with nature and we have many problems to contend with—insects, fires and so on and so forth. But I would say the department people have made great advances in comparatively recent years, in forest management in all of its different phases.

Mr. Chapple: Mr. Speaker, may I ask the hon. Minister a question on this? To what degree is the person who does the cutting responsible for this reforestation? Does he have to do the work himself—plant the trees, develop the area—or is this done by the government, so that he takes over when the forest or the trees reach a certain degree of maturity?

Hon. Mr. Spooner: Mr. Speaker, there are perhaps as many different kinds of agreements with timber operators as there are actual numbers of agreements, and where the foresters are able to analyze the needs for reforestation it can be—and in many cases, is—provided for in the agreement entered into before any cutting is done. In other cases the agreement provides that, if the natural regeneration is not sufficient then the reforestation will be done on a co-operative basis between the department and the operators. It depends on what the local and the actual conditions of a piece of forest land are. From that the foresters will decide what work will be done in the way of regeneration practices. It may not entail the planting of trees at all. It may entail the type of logging operation which is used. It makes a difference to the

forest and to the soil as to whether the logging operation uses tractors or horses. All these things are considered by the foresters. And today in The Department of Lands and Forests we have, I would say, sufficient number of well-trained foresters who are working through our different district offices. We have 22 districts in the province. The foresters are able to figure these things out on the ground, on the site, and from there come up with the best proposal that can be established—bearing in mind their knowledge and the actual conditions of the soil site and the timber area itself.

Mr. Chapple: It is all a matter of negotiation, then?

Hon. Mr. Spooner: That is correct.

Motion agreed to; second reading of the bill.

THE LAKEHEAD COLLEGE ACT

Hon. Mr. Robarts moves second reading of Bill No. 58, An Act to amend The Lakehead College of Arts, Science and Technology Act, 1956.

Mr. L. Troy (Nipissing): Mr. Speaker, I recall the statement of the hon. Minister of Education (Mr. Robarts) last year, before the private bills committee, when the bills to grant charters to Northeastern University and North Bay College were being deliberated. He then made the statement that no more charters would be granted until the university committee had considered them. Has the university committee—of which the hon. member for Victoria (Mr. Frost) is the chairman—approved of this particular charter?

Hon. Mr. Robarts: Mr. Speaker, this is an amendment to an existing Act which brought the college into being. To go into the history of this, the Lakehead College of Arts, Science and Technology, started originally as an institute of technology. Then, in order to serve the needs of that area of the province, they were given the power and, I believe, developed the first two years of a university course. In other words, they have been giving university courses there in first year and in second year, and then sending their students on to other universities in the province. They have done this by working out—in co-operation with the other universities in the province—the courses they would give in the first two years. The other universities would

accept those students into the second, third and fourth years of honour courses.

Now, in the logical development of this institution the time has come for it to give a third year of a general arts course, and they therefore want power to be able to grant degrees when they give the complete course of studies leading to a degree in their own institution. That is the purpose of this bill. It is not a new charter. It does not create a new university. The college is there, it has been functioning as a university in the first two years. Therefore, this is not the creation as the hon. member seems to think, nor is it the granting of a new charter. They have had their charter for some years. It only gives them power to grant degrees now that they have developed to the point where they are going to give the third year of a general arts course.

I am quite sure that this matter has been discussed by the university affairs committee but I do not sit on that committee any more myself and I cannot state specifically—however, I would be happy to send the bill to the committee if anybody would like me to do so. But I point out that this is just a logical development of a plan that has been going on for some considerable years.

Mr. Troy: Mr. Speaker, I certainly have no objection to Lakehead College being given the opportunity to grant degrees. But I cannot see any difference between that particular institution and North Bay college which has a charter also. All we asked for was a charter to grant degrees in that college. It was denied them, and under the statement of the hon. Prime Minister—his particular statement to that committee—that no further approvals of any university to grant degrees would be given until this particular committee, which had been set up, had approved of it. They were going to make a survey of the whole province. The North Bay college also has had a charter for years, but it was refused.

Hon. Mr. Robarts: Mr. Speaker, just to complete this, I am quite certain that this matter has been considered by the university affairs committee but, as I say, I was not there when it was so I cannot give a 100 per cent assurance. But I will check and find out, because I am quite sure the legislation was checked out with them before it was brought in.

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Mr. G. T. Gordon (Brantford): Mr. Speaker, in rising to speak in this debate, I commend you for the very efficient way in which you conduct the affairs of this House. I would say that you are growing in wisdom. And also I wish to add my words of welcome to the new hon. members who have recently taken their seats. I believe they will add much to the debates in this House in the near future.

As you know, Mr. Speaker, I was not intending to speak in this debate but the matter I wish to bring before the House I could not bring in any other way than in this manner. And I agree with your judgment; I think you were correct in your decision.

The reason I am speaking on this debate is that this morning I had a telephone call from our industrial commissioner of the industrial commission in Brantford. He was very much concerned with an address that was made last evening by the hon. member for York South (Mr. MacDonald) as leader of the New Democratic Party. In the address of which I am speaking, the hon. member dealt at some length with the Cockshutt farm implement company which was known for many years as the Cockshutt Plow Company. Now, the Cockshutt company started many years ago, with a very small beginning, and it expanded to a very thriving industry in the city of Brantford—until these last few years. It fell on very lean periods, and the men working there were working probably only six or seven months a year, and it was getting progressively worse.

But last night, the hon. member for York South, and I quote from his speech, said:

Thousands of Canadian farmers who bought Cockshutt equipment have no assurance that they will be able to get parts and services, so that they may have a \$1,000 machine idle sitting in their fields, for the want of a \$5 part.

Farm leaders in Ontario approached the government in December with an urgent request for a Farm Machinery Act such as the one the New Democratic Party leader Tommy Douglas gave the farmers of Saskatchewan back in 1949. This would have obligated any company selling machinery to provide parts and services for ten years, precisely the kind of protection needed in a case like the Cockshutt sales. But the Conservatives, with the support of the Liberals, sent the request off to the Minister for study, a familiar way to avoid

real action. Now Cockshutt is gone. There is no continuing obligation for parts for the farmers who bought its equipment. One wonders whether the delay was not designed to relieve the Cockshutt firm of its obligations to persons who have patronized it for generations.

Well now, the Cockshutt farm company is still in business and this kind of thing just hurts the farmer. I am interested in the hundreds of men who will be employed in that industry. It has been taken over by a new company and it will take some months before they get organized.

I have no doubt that some of the older employees will be hurt, I do not know how badly. Everything is being done that they will not be hurt. But I would like to point out that the old Cockshutt labour force was approximately 1,200. These 1,200 people averaged about seven months a year and this has been going on for some years. This figure included the foundry and forge employees.

This new company, the White Oliver Company—by the way, I have met the principals of the company and spoke with them—purchased the old Cockshutt firm. They did not buy the foundry and the forge for a reason, and the reason was that it was an old, dilapidated, inefficient and unprofitable foundry. The new Cockshutt company is farming out its foundry and forge work to local industry so it would be done locally anyway, thereby cutting their costs and at the same time assisting other Canadian companies in maintaining their labour force. The new Cockshutt labour force, less the foundry and forge—listen to this, hon. members—will build up to one greater than previously carried and will have a 12-month production schedule rather than a six-month to nine-month schedule.

Mr. R. Gisborn (Wentworth East): They are just kidding the people of Brantford.

Mr. Gordon: The hon. members are kidding themselves. I am living with those people and I do not want them to be kidded, and I do not think hon. members are kidding them either.

When the White Company bought Cockshutt they did so recognizing that the Brantford plant, while operating at a loss on some production terms, was able to build several machines such as the swathers and the combines and the discs and the cultivators more efficiently and economically than any of the White Oliver plants in the U.S.A. Consequently, the Brantford plant will build not

only for the Cockshutt organization, but for White Oliver, U.S.A. and increase the export market as well. Those items that they produce will be turned out with much more efficiency.

The Cockshutt products which are not being processed economically in Canada will be produced in the White Oliver U.S. plant but will be marketed under the Cockshutt name through the Cockshutt dealer organization in Canada.

The general manager informed me this morning that the hon. member's suggestion that farmers will have no assurance of getting repair parts for Cockshutt machines could not be farther from the truth or more irresponsible.

The new Cockshutt company is maintaining and will continue to maintain the highest possible standards of parts, services to their customers. "To us," he told me, "they are the most important people in the world and since we intend to stay in business and to expand it, that will be our continuing philosophy."

Now, you do not think for an instant, Mr. Speaker, that a company will come over and put \$15 million into this company and make nothing out of it. They are here to make money, and the only way they can make money is to do business. As long as there is any Cockshutt machinery in Canada parts will be available.

I gave my reasons for speaking about this: because I am very concerned about the Cockshutt company, I do not want them to be hurt. I am concerned about the hundreds of men who will be employed there. This kind of propaganda, I think, will really hurt them and the employment that they so wish to have.

As I rose to speak I said I had only just one subject. Generally, as hon. members know, in the Throne debate we are allowed to roam all over creation, but I will not take the time of the House any longer. I think I have made my point, and I hope—

Mr. D. C. MacDonald (York South): The hon. member has missed the point.

Mr. Gordon: Mr. Speaker, I do not know what results the hon. member speaks about, but I am speaking for the little fellow in Brantford.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, in rising to take part in this debate I should like at the outset to join with the others who have congratulated you, sir, and add my congratulations to you.

The hon. Minister of Mines (Mr. Wardrope) capably pointed out yesterday that your job is a difficult one and we on this side of the House respect your position. We have admiration for you in the way you have conducted your duties and we are sure that this trend will continue.

Although I have not been here very long, I should also like to add my congratulations to the new members who have already entered this House, and of course I need not say that I am a little bit delighted that more of the new members are Liberals than subscribe to the other party.

With respect to the by-elections, it is interesting to note that in the early session of the present sitting of the Legislature there was much said from the other side about how these by-elections were to be a little election in the province of Ontario and how they would test the feeling of the people. The Conservative members were very certain that they would of course support the ruling party. It is very interesting to note that very little has been said on that side of the House since the election and I am sure that you can understand that we on this side feel that we do have something to contribute when we suggest that the people of Ontario are finally getting wise to the type of administration which has been practised in this province over the past 18 years.

It is also interesting to note the fence-mending which has been going on. It is noticeable in the press; the Cabinet Ministers are running here, there and everywhere, trying to create a new image for the present government, but I am afraid it is not going to be possible to create that new image. I think the people of Ontario have now had a little bit of an object lesson, shall I say, in the presentation of the retail sales tax which they must be reminded of each day they make a purchase.

It is also interesting to note the caucus meetings on the government side of the House which are becoming much more frequent. Up until this point, Mr. Speaker, it has been "be nice to government day"; the government has been commended on two or three pieces of legislation, and I would like to hasten to assure you that it is not my intention to carry on with that philosophy. But before turning to that point, I should like to comment very briefly on the matter which was raised by the hon. member for Brantford (Mr. Gordon) when he referred to the speech which was made last night by the hon. member for York South (Mr. MacDonald). He made mention of

the Cockshutt Plow Company in Brantford, and he went on to great lengths pointing out that these things, of course, could not happen under the New Democratic philosophy because they were going to present a planned economy which would take care of everything.

Mr. K. Bryden (Woodbine): I thought you were going to do that, too.

Mr. R. C. Edwards: Well, that shows how misinformed the hon. member can be. I do not think our party has ever indicated that we were going to enforce a planned economy throughout the country.

In any event, Mr. Speaker, it just so happens that a few days ago a paper came to my desk which indicated the success of this planned economy which, I might tell you, has already been practised in one province of this great country of ours. I thought this information might be interesting to the House. This planned economy took place some years ago in the province where I was born, the province of Saskatchewan. At that time they decided to have a planned economy and to set everything in operation and have the government run many of these things and have a prosperous province. It is somewhat interesting to note that there are less people in the province now than there were several years ago.

Mr. Bryden: That is not true.

Mr. R. C. Edwards: The first project which was set up was a leather tannery in the city of Regina. Its purpose was to tan cow hides. Well, it operated for about two years, lost \$73,000 and closed down. This is not original; my informant tells me about the only hides that were tanned were the hides of the Saskatchewan taxpayers. So then this planned economy group decided to establish another factory. They established a shoe factory, also in the city of Regina, and the socialist premier of the province boasted in his speech that the plant could manufacture shoes for \$2.75 a pair and still make money. But despite his verbosity, my informant tells me that within several years the plant was bankrupt and closed down with a loss of \$83,000. On and on we could go. A spray paint company was formed whose purpose was to paint the rural buildings in Saskatchewan, but I guess the farmers did not have too much confidence in that operation; they did not buy the service, and so the company ceased its operations.

A woollen mill was set up in Moose Jaw, and when it finally closed down it had a deficit of some \$830,000. And so it goes.

I should suggest to the hon. members that before they buy—

Hon. R. W. Macaulay (Minister of Energy Resources): Which company was it that fired all its employees on Christmas Eve? And told them if they did not come back and work and do some decent production they would all be out of work?

Mr. D. C. MacDonald (York South): What does the hon. Minister think he is doing, re-enacting Weyburn?

Mr. R. C. Edwards: I thank the hon. Minister for bringing this to my attention. I would say to him that I only have 12 or 14 companies here and that one is not included, but I am sure there are others which I do not have.

Mr. MacDonald: The information of the hon. member is both faulty and inaccurate.

Mr. R. C. Edwards: Well, I am sure the hon. member for York South will be pleased—he states that my information is faulty and inaccurate, and I am sure he will be pleased to get the right facts and bring them here and present them to the House so they might be properly stated.

Mr. Speaker, my real purpose here is to point out the faults of the government. You see, the real people, the real villains I might say, are the hon. members in the benches opposite. Before doing that, I should like, through you, Mr. Speaker, to direct some remarks to the hon. Prime Minister (Mr. Robarts)—I am sorry he has left his seat—with respect to the matter of accommodation which is provided to private hon. members of this Legislature.

Theoretically, sir, the hon. members come to this Legislature to represent the people of their own riding, whether or not they are supporters of the government in office. As such they are representatives of the people of Ontario to whom this Legislature is responsible. Yet it has been a constant source of irritation to me since arriving here some three years ago that the present government has shown little respect for the representatives of the people. I am sure, Mr. Speaker, that if it were commonly known that many private members of the Opposition must search from pillar to post to find a place to work while in Toronto, that the public would demand some remedial action.

Surely the government would not think, Mr. Speaker, of hiring the lowliest clerk without providing a desk at which he could

work and yet it is a fact that hon. members of this House are left without even a chair and desk at which to sit when outside this Chamber. If a constituent comes to this city to talk with his representative on business it is necessary to meet him somewhere out in the halls. If he wishes to talk to him privately, about the only place available is the members' dining room. Certainly you would not call this privacy but it is at least, Mr. Speaker, a place to sit.

I wonder if a corporation spending over a billion dollars yearly would suggest that the persons having any say with respect to the control of that corporation, should not at least have a reasonable place in which to do their work. This matter has been brought to the attention of this House previously. How the government can justify its action in building great pretentious buildings such as the new Department of Highways building on Highway 401, as well as the many other promised buildings such as the one in Kenora—when they were trying to influence the voters in a by-election—and fail to recognize the need for the members themselves is beyond reasonable comprehension. In my considered opinion, such an attitude can only be considered as gross inconsideration of the electors of the province of Ontario who have elected these members as their representatives in this House. In this matter I am somewhat bewildered and almost jealous of the fortunes of the members of the NDP to my left. I was quite surprised when I walked past their door on the third floor to find that there is provided a desk with telephones for each member so that they can conduct their business. Perish the thought, Mr. Speaker, that I am suggesting that anything be taken away from them, more power to them; however, I am wondering if their good fortune is not due to the fact that perhaps they have been a little bit more vociferous than those of the voices of the official Opposition.

In any event, even the amount of accommodation available to the hon. members of the NDP would be an improvement to the private members of the official Opposition.

Surely the time has come for the hon. Prime Minister to have this situation rectified. Once again I appeal to him to show that the Opposition members receive the same courtesy that is extended to nearly every clerical employee of the government. Surely, Mr. Speaker, this is a reasonable suggestion?

I have made this suggestion in all sincerity. I hope that the hon. Prime Minister, Mr. Speaker, if he is really trying to create

a new look for this government, will take a serious look at the accommodation with which he provides the hon. members of this House in which to do their business.

I must say, Mr. Speaker, that because of this attitude, which seems to reflect from the government down, toward hon. members of the House that it is sometimes difficult to understand the attitude of some of the officials. I cannot but think that the attitude of some of these officials in many cases are dictated by the responsible Cabinet Ministers in charge of their departments.

For some time now I have been receiving representation from members of the public who reside in my riding who have all been complaining of the fact that Hamilton has been overlooked with respect to a trades training school. Accordingly, sir, I wrote to the deputy Minister of Education asking why Hamilton had not been considered. I would think, sir, that this would be a reasonable request coming from an elected representative of the people in the area which was concerned. You can imagine my surprise and consternation when I received a reply stating that the hon. Minister (Mr. Robarts) had been in touch with the mayor of the city of Hamilton, who was aware of the situation.

Now, Mr. Speaker, I am led to wonder whether or not the responsible Minister has any knowledge of the chain of representation to this Legislature. The mayor of Hamilton happens to be a very good friend of mine. He is a fine fellow and I like him, but he is elected as the mayor of Hamilton; I am one of the five representatives that are elected to represent the people in the Assembly and I would think that such matters would be the concern of the direct representatives of this House. This answer is not different from the attitude of some other departments of government, where it is the policy of the Conservative government to avoid the member of the constituency, particularly if he happens to be a member of the Opposition.

An hon. member: Shame.

Mr. R. C. Edwards: Perhaps it might be a good suggestion, Mr. Speaker, to give all senior members of this administration a refresher course in the matter of electoral representation.

I might say that it was only after I made a direct appeal to the hon. Prime Minister (Mr. Robarts) in his dual capacity as Minister of Education, that I was supplied with any kind of an answer to my question.

I would like to say here, sir, through you, to the hon. Minister of Education that I believe that Hamilton is a city which should be considered in this training plan. Certainly it is a centre of industrial activity, and one where these training plans might be of some benefit to the people participating, when they have completed their training. I draw this to the attention of the hon. Minister of Education at this time, and I can only hope that since there are two hon. Cabinet Ministers from the Hamilton district who sit on his side of the government, that some positive action will be forthcoming in the Hamilton area without undue delay.

At this time, Mr. Speaker, I turn to a matter which we, on this side of the House, consider to be of paramount importance to this Legislature. I would refer you, sir, to the motion which was made on February 20, 1962, by the hon. leader of the Opposition (Mr. Wintermeyer). This motion, which called for an immediate adjournment of the House to discuss a matter of great public importance, was, in your wisdom, not permitted. My purpose is not to question that matter in retrospect. A vote was held and the overwhelming majority of this government supported your ruling.

The next day, sir, on a matter of privilege, the hon. leader of the Opposition rose in his place and attempted to place on the record of this House some of his reasons for suggesting that the hon. Prime Minister had misled the hon. members of the House. My hon. leader endeavoured to do this by reading from the text of the speech in question, which was delivered by the hon. Attorney-General (Mr. Roberts) on Monday, February 19, 1962. After repeated interruptions from some of the hon. Cabinet Ministers opposite, you and your wisdom ruled that the hon. leader of the Opposition might not read into the record from this address.

I suggest to you, Mr. Speaker, that the Cabinet Ministers were particularly vociferous at that time because they knew full well that there was merit in the statements of my hon. leader, and they were prepared to use every means possible to see that he was not allowed to continue.

Mr. Speaker: Order! I would point out to the hon. member that Cabinet Ministers on this side of the House had nothing to do with the Speaker's decision on that occasion. It was strictly a Speaker's decision that it was not a point of order, and was ruled upon as such. I must draw that to the attention of the hon. member.

Mr. R. C. Edwards: Mr. Speaker, I thank you, sir. I should like to point out that I said at the very beginning I was not questioning the wisdom of your decision. I merely was trying to indicate to the House that I felt that the Cabinet Ministers opposite were endeavouring to influence that decision, sir.

Mr. Speaker: That is the point. I would ask the hon. member to withdraw the remark that the Cabinet Ministers were influencing the Speaker on that particular point of order.

Interjections by hon. members.

Mr. Speaker: Order! It is well known to the hon. members of the House that this point of order was taken at that time and it is allowed to rest at that.

Mr. R. C. Edwards: Well, Mr. Speaker, I withdraw any inference that seems to be held that I, in any way, suggested that you were influenced, sir. I trust that this meets with your approval.

An hon. member: I wonder if it has ever happened in the past.

Mr. R. C. Edwards: Mr. Speaker, I consider this a very serious matter, and it is my intent to stay fully within the rules of this House and to conduct myself as an honourable member of this House.

I do not intend to be upset by the political manoeuvring of the hon. members in the benches opposite. I would hasten to point out to you, sir, that I hold no brief for any hon. member of this House who would use the privilege accorded to him as a member to personally attack any other hon. member of this House. I emphatically state, sir, that the remarks I am about to make are not intended to be personal attacks.

I have a personal admiration and respect for the hon. Prime Minister and the hon. Attorney-General of this province; on the other hand, sir, it is the solemn responsibility of the Opposition members in this House to ensure that justice is done and to prevent, where necessary, the government from presenting a wrong impression to this House.

Does it not seem to you, Mr. Speaker, that it is extremely coincidental that not only the hon. Opposition members of this House, but also a great majority of the press, would incorrectly interpret the intent of the hon. Attorney-General's address?

The hon. Prime Minister in this House on February 20, 1962, stated by inference that small portions of the speech were being

removed and that certain conclusions were being drawn from those portions. At the same time, Mr. Speaker, he refused to table that speech so that hon. members of this House could judge for themselves whether or not such was the case. I have now had the opportunity to read that speech in its entirety—

Hon. J. P. Robarts (Prime Minister): The hon. member read it because I gave it to him earlier.

An hon. member: Well, that is good.

Mr. R. C. Edwards: —and I cannot agree with the observations of the hon. Prime Minister. The hon. Attorney-General of this province—

Hon. Mr. Robarts: That it not the first time the hon. member has misinterpreted me.

Mr. R. C. Edwards: —the hon. Attorney-General has stated on numerous occasions that the efforts of the Opposition in this whole matter of crime were aligned for the purposes of political expediency. One would think, Mr. Speaker, that if his own intentions were pure he would refrain himself from any comment of any kind with respect to any of the aspects on the now constituted Royal commission to investigate crime in this province.

I suggest through you, sir—and the hon. Attorney-General is not in his seat—I suggest through you, to the hon. Prime Minister that it is the duty of the hon. Attorney-General to refrain from any comment whatsoever, now that the matter has been handed to a Royal commission.

He, Mr. Speaker, more than anyone else in this House, should be discreet with respect to this matter, and yet he, more than any other person in this province, seems to be doing all in his power to lampoon this commission in the public mind before it is even given the opportunity to demonstrate its effectiveness. The hon. Attorney-General has from the outset been outspoken in this entire matter. He stated at the beginning that this commission was not necessary. I suggest to you, sir, that he is still of the same opinion as emphasized in his recent speech, and it now appears that the hon. Prime Minister supports that view as evidenced by his defence of the hon. Attorney-General's speech when he answered the question of the hon. member for York South (Mr. MacDonald).

I propose at this time to show the hon.

members of this House that the hon. Attorney-General still holds to his original view, notwithstanding the fact that a Royal commission has now been established to investigate this affair. As I said, Mr. Speaker, I do have a copy of his speech and, as the hon. Prime Minister has correctly stated, he sent a copy over to the hon. leader of the Opposition. I should like to quote from somewhere around the middle of page 12 of this particular speech, and I now quote the hon. Attorney-General. He states, and I quote:

Another inquiry, this time by a Royal commission, apart from certain specific matters to be dealt with, has as one of its terms of reference inquiry into crime and the efficiency of the law enforcement agencies to cope therewith. Sometimes inquiries of this kind can be helpful, sometimes they can be harmful.

I would underscore those last five words, Mr. Speaker. I continue to quote. The hon. Attorney-General said:

For myself, I have maintained and continue to maintain my own confidence, speaking by and large, in the very fine party of men composing our police forces, the Ontario Provincial Police and the large Metropolitan Toronto Police forces.

He further stated:

I have always been a believer in the direct approach to crime, namely, searching out culprits, bringing them into the court and letting the courts determine the guilt or innocence according to the well established rules of evidence.

Mr. Speaker, the hon. Prime Minister supports this theory as he did in the Legislature on February 20, 1962. I ask him to explain how such reasoning is compatible with the terms of reference of the Royal commission. If this preconceived opinion reflects the attitude of his government, how can the people of this province have any confidence that the co-operation of The Department of the Attorney-General will be available as it should be to the Royal commission in its endeavours? When the hon. Attorney-General is supported by the hon. Prime Minister in these statements, one can but doubt whether the commission will achieve the co-operation that is necessary from the government. The very noticeable attempts by many of the Cabinet Ministers to stop the hon. leader of the Opposition yesterday indicates clearly that this opinion is shared by the Cabinet and that all are in complete support of the expressed opinions of the hon. Attorney-General.

Mr. Speaker, let me quote from another paragraph of the speech of the hon. Attorney-General, and I quote directly from page 14 of the text given to this side of the House. I quote from the hon. Attorney-General. He states:

The present Attorney-General of the United States is waging war against a big crime problem facing him. He has to smash them and rid his country of them. In this province we must keep them out, which is a vastly different situation in our favour.

Notwithstanding the comments of the hon. Prime Minister with respect to deleting portions of the speech and drawing conclusions, I am sure that all hon. members of this House will agree with me that it is not necessary to read the whole speech to understand the intent of the comments of the hon. Attorney-General in this statement. He has already made up his mind that there is no reason for the Royal commission, and I suggest to you that these statements prove it. He declares that the big difference between the United States and Ontario is that big crime exists in the United States but not in Ontario, where the problem is simply to keep them out. The hon. Prime Minister and the Cabinet in supporting these views are clearly in agreement with this principle.

I would ask hon. members of this House to consider with me to determine whether or not the statement of the hon. Attorney-General, when implying that the forces of organized crime were prevalent in the United States and that we must keep them out of Ontario—would any reasonable person not think that this was a categorical statement? Would any reasonable person not think that this was an attempt to influence the commission? How does such a statement, Mr. Speaker, fit into the terms of reference to the Royal commission, and I quote, "to inquire into and report upon the extent of crime in Ontario and the efficiency of the law enforcement agencies to deal with it." I ask the hon. members of this House to ask themselves this question. Would not this statement, Mr. Speaker, indicate to any unbiased, reasonable person that the hon. Attorney-General has indicated a lack of confidence in the commission already and in the terms of reference?

Hon. A. K. Roberts (Attorney-General): That is not the first time you have misinterpreted me.

Hon. members: Oh, sit down, sit down.

Mr. R. M. Whicher (Bruce): The hon. Attorney-General should have sat down the other night and not made the speech.

Hon. Mr. Roberts: It is one of the best speeches I ever made in my life.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Speaker, this is more serious than just the remarks of the hon. Attorney-General. I suggest to you that the hon. Prime Minister, in supporting such a statement, is in effect placing Cabinet approval on this line of reasoning, and as such has placed the Opposition members of this House in the place where we now have grave doubts as to the co-operation which will be forthcoming from the government of this province.

Hon. Mr. Roberts: If I had no more brains than that I would keep quiet.

An hon. member: What did the *Globe and Mail* tell you to do?

Mr. Whicher: The hon. Attorney-General is going to drag the whole boat down with him.

Mr. R. C. Edwards: Mr. Speaker, up until January 18 of this year I think, a comment such as just came from the hon. Attorney-General—something to the effect that we have not any more brains than that and I did not get the rest of it—but I would remind him that a large percentage of the people of Ontario do not feel that we have as few brains as he seems to think we have.

Mr. Speaker, in leaving this subject let me hasten to say that these views which are being expressed by us have also been expressed to varying degree by many of the editorials in the press of this province since the speech by the hon. Attorney-General. To the statement, Mr. Speaker, that portions of the speech had been withdrawn and that wrong conclusions were taken from those portions, I would reiterate my earlier statement that the responsible Minister of this department should be discreet enough not to place himself in such an intolerable position in the first place.

Mr. Whicher: Mr. Chamberlain resigned, so should he.

Mr. R. C. Edwards: It is all very well, Mr. Speaker, for one to stand up and endeavour to create a smoke screen by suggesting that Opposition members are speaking with the thought of political expediency. I think that it is becoming clearly evident to all hon.

members of this House—and to the electors of this province as well—that it is not really the Opposition that have political expediency in mind. It just might be that somebody on the other side of the House might have the same suggestion.

I should like to leave that aspect for just a moment—or for good—as far as this brief talk is concerned.

I should like to deal with another matter which I believe is of paramount importance to a large proportion of the people of this province. I would like to refer to the report of the Royal Commission on Industrial Safety which was presented, and which has been available, to all hon. members of this House since late in the year 1961. I should like, for the purposes of discussing this matter, to read from part of this report in order to lay the groundwork for what I hope to say a little bit later.

Page 3 of the report states:

Each of the Acts and regulations designed for the protection of workers is considered in detail in later sections of this report. And numerous recommendations are made to simplify, clarify and modernize the present legislation. Some of the Acts and regulations were found to be archaic and outmoded. This is particularly true of The Building Trades Protection Act which is almost unknown and unenforced.

Your commissioners have recommended that this Act be repealed and replaced by a construction safety Act incorporating part 8 of the National Building Code.

The ultimate responsibility for the enforcement of the proposed Construction Act and Trench Excavators Protection Act should rest with The Department of Labour, and the legislation should be amended accordingly.

At the bottom of page 4, I read again from the report:

Safety regulations relating to foundries and ionizing radiation have been formulated but not promulgated. And the workers in these fields are not at present protected by legislation.

Your commissioners recommend that regulations covering these fields be implemented at a very early date. The highest accident frequency rate in the province is in the logging industry, yet there is no legislation for the protection of workers in this field as in the sawmills.

It is recommended that this deficiency be corrected by the adoption and enforcement of logging and sawmill regulations.

And now, Mr. Speaker, I should like to refer to the publication which arrived at the desk of all hon. members some time during the year 1961. It was entitled The Ontario Economic and Social Aspects Survey, published by the Ontario government, and for which the hon. Prime Minister of Ontario (Mr. Robarts) seems to take full credit since his name, along with the hon. Treasurer of Ontario (Mr. Allan), is foremost in the publication.

The purposes of The Department of Labour are set out in that publication, and I quote from page 32 of that document. Speaking of The Department of Labour this document says:

The department's primary concern is the safety and economic protection of the provincial labour force.

It seems to me that perhaps the responsible Minister, together with the senior officials of his department, should consider very carefully the purposes of his department as set out in this official publication. If the facts, Mr. Speaker, are accepted as set out in the Royal commission, this government must accept full responsibility for having failed to carry out the duties and obligations which it undertakes to fulfil when assuming office. This is all the more alarming, sir, when we stop to contemplate that Canada, and indeed Ontario, is fast changing from an agricultural to an industrial society.

The policy of appointing boards and commissions to take the responsibilities which rightly belong to the elected representatives of the people has too long been the irresponsible attitude of this government. The fact that we have now obtained a new leader of the government, sir, is of little significance. The simple fact of the matter is that it is still the same old party, and responsibility cannot be avoided by simply using a revolving door as far as the responsible Cabinet Ministers are concerned.

Let me attempt to prove my point by quoting from the commission report, in reference to the attitude of The Department of Labour officials on page 7. I quote:

The testimony of the officers of The Department of Labour generally, with respect to the adequacy of their Act, their enforcement and the number of inspections and inspectors required, indicates a degree of satisfaction that is inconsistent with the requirements of keeping pace with a growing industrial technology.

Now, Mr. Speaker, I did not make this statement. This statement was made by a

Royal commission, which was appointed to investigate into the matter of industrial safety. And as yet insufficient action has been taken by the responsible hon. Minister to carry out the spirit and intent of that report.

We discussed earlier in this sitting a bill which came to this legislature and which simply, in effect, appointed another committee to report on the report of the committee which had already reported. This statement, Mr. Speaker, which was made by the commission dealing with the attitude of the department, with safety Acts and regulations administered by the department, points out that the department of government charged with this responsibility has been derelict in its duties and responsibilities.

This point is amplified, sir, when the House is mindful of the fact that in 1950 a Royal commission was led by Mr. Justice Roach. Many of the hazards and weaknesses of the present legislation for safety were pointed out at that time. What is the point in spending trust moneys of the people collected in taxes if the Conservative government does nothing at all with respect to the reports when they are received? The reports become nothing more or less than smoke screens.

The government may be excused for oversights when they are not brought to their attention; there can be no excuse for failure to act on many of the glaring examples which were brought to light in 1950 and which are now being brought forward in the new Royal commission report.

Page 32 of that report sets out clearly a lack of responsibility by The Department of Labour. I quote from that page:

The Department of Labour takes the position that enforcement of the Act is surely—

this is speaking of The Building Trades Protection Act—

—the responsibility of municipalities.

The commission disagrees.

May I say, Mr. Speaker, that I also disagree. If we note that the government itself states that the safeguarding of the worker against various hazards of life and health is the major responsibility of The Department of Labour—as set out in the Ontario Economic and Social Aspects Survey which I quoted earlier—how in the name of reason can this department take the position that any Act, which deals with such matters, is solely the responsibility of the municipalities?

Since this report has been made public,

I have received communications from many of the trade unions in the Hamilton area which represent some thousands of workers. These people are concerned about the inaction in The Department of Labour to take the actions which are set out and suggested in this report. I suggest to you, sir, that if the department does not intend to take the advice and at least act in a reasonable manner on the suggestions which are presented, the commission should not have been appointed in the first place.

I suggest to you, sir, that the hon. Minister of Labour (Mr. Warrender) and the government opposite must assume responsibility for every person who is fatally injured, who is seriously injured or who is injured at all, if they fail to bring forward legislation at this time, which will implement the suggestions as contained in the report, and then proceed to bring them forward at a later date. I think the working force in the province has a right to expect The Department of Labour will carry out its responsibilities and will act on the various reports which they themselves have requested, and which have been made public.

I suggest in closing that the reason the commission, which was recently set up to study some of these matters, was not asked to report to this assembly—as set out in the McAndrew commission—was simply because the government did not want again to be in the embarrassing position of not acting on the suggestions put forward. The fewer people that knew about them the better. Thank you.

Mr. R. J. Boyer (Muskoka): Mr. Speaker, it is a pleasure, I am sure, for us all to be back here again in this honourable House resuming our work after the long recess at Christmas time.

Sir, I am going to suggest to you that the experiment which was begun two years ago of dividing our session in half, and meeting in the fall and again in the winter, has not proved quite the success that we hoped. Beside the disadvantages there are to the private members of this House—and they are considerable—I think there is a loss in the continuity of the business of the House, and I would suggest to the hon. Prime Minister (Mr. Robarts) and to the government that, beginning next year, the House meet early in January and sit as long as is necessary and complete its work in one phase and not in two.

In this connection I would like to point out that two other important legislative bodies

in Canada have already done this; the Parliament of Canada had for a time been meeting in the fall, adjourning over Christmas, and then taking up their work again; the Legislature of our sister province of Quebec had for some time been doing the same. This year, both have reverted to the former system and started their sessions in the month of January.

Mr. Speaker, I would like to begin by speaking of your work and the impartial way in which you regulate the debates of this House, and also to thank you for the co-operation which I, as a private member of this House enjoy, and your helpfulness in many situations. I would also like to compliment the illustrious member for Peterborough (Mr. Brown) on becoming the chairman of the committee of the whole House and your deputy, Mr. Speaker.

At the beginning of the present debate the main motion was moved by the hon. member for Toronto-St. George (Mr. Lawrence) in a very fine speech which demonstrated his talents. Although it is some time since we heard him, I am sure we very well remember the impression that he made in his fine speech.

The hon. member has served for some time on the Fire Marshal's Advisory Committee and for that reason I have seen quite a bit of him in my own riding as he has come to the Ontario Fire College at Gravenhurst, in which he is very much interested, from time to time.

And then the hon. member for Renfrew North (Mr. Hamilton) who comes from the same general part of Ontario as I do, seconded the motion, and in his very fine address spoke of a number of matters of interest to our wonderful part of this wonderful province. I may say this, that both our ridings border on the constituency which has, since 1937, so ably been represented by the hon. member for Victoria (Mr. Frost) and I am sure that all in this House regret the announcement which appeared in the morning paper that the hon. member for Victoria had decided to retire from service as a member of this Legislature.

One of the things that has happened since the hon. member for Victoria retired from the leadership of his party and from the position of first Minister of Her Majesty's government in Ontario, is that he has been sworn in as a privy councillor of Canada. You understand, Mr. Speaker, that in the provinces Cabinet Ministers and leaders of government are entitled to be styled honourable only while they retain office, while

members of the Dominion Cabinet and others as privy councillors, bear this title or style during their whole lifetime. And thus the honour given in this way to the hon. member for Victoria has been well deserved and is satisfying, I am sure, to us all. It will be recalled that a similar honour was received some years ago by another former Prime Minister of Ontario, the hon. Mr. Drew.

And now in Ontario we all have a new Prime Minister, the hon. John Robarts. The leader of this House was chosen as the leader of his party in an entirely democratic way, in the greatest and most enthusiastic party convention ever held in the history of the province. It is in fact a convention that can hardly be matched even on the federal level.

In the present debate we have had a great deal of attention paid to that convention by Opposition speakers. The hon. member for Woodbine (Mr. Bryden), who I am happy to see in his seat, took up nearly half of the time of his speech in the Throne speech debate, sneering at the convention, picking out a few details here and there, but overlooking the general worth of such a great gathering in the political life of our province.

I would remind you, Mr. Speaker, of a saying of the late Dean Inge—that a fault of many would-be reformers is that they mistake the particular for the general. And certainly this is consistently true of the famous five that cluster in the area across the House behind the hon. member for York South (Mr. MacDonald).

Then we have had other Opposition speakers doing their worst to deprecate the good results of that great historic occasion. I have said that the choice of that convention was arrived at democratically. The hon. member for Nipissing (Mr. Troy), who has disappeared from the House for a few moments, said yesterday in his speech in giving what, I would say, was a somewhat semi-frivolous analysis of the convention results—that the—

Mr. J. J. Wintermeyer (Leader of the Opposition): It was not semi-frivolous.

Mr. Boyer: Well, perhaps it was frivolous; Mr. Speaker, I will accept the hon. leader of the Opposition's correction that it was a frivolous analysis on the part of the hon. member for Nipissing. I would say, Mr. Speaker, he was offering to us a very wrong conclusion—which is not exactly a new experience for my friend and neighbour from Nipissing because he often gets beyond his depth—but he endeavoured to persuade you that in

some manner or other the choice of the convention was dictated by the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker). Now, this is utterly wrong.

I can point out to you that federal members, and Cabinet Ministers from Ontario, were not voting as a unit for any particular candidate; nor was there any suggestion or pressure, from any top source in our party, on the delegates. The delegates voted as they saw fit, and I have to tell you that when I returned home from that convention I found that people who had watched the convention proceedings on television or heard the same by radio were very well satisfied with the choice made.

Of course, Mr. Speaker, it was not an easy choice to make between seven very highly competent and experienced public servants; but when the convention was over, those responsible here for the administration of government in this province returned to their great work and began anew under the new government to promote policies for the advantages of the people of our province.

It was necessary, sir, even though it was not the most favourable time for a government so newly in office, to call five by-elections. These have taken place, and will bring into this House five new members, all of whom will make their presence felt here, I am sure. But the advantages that the chief Opposition party had at that time are not going to be theirs again, and future election contests in this province are going to be on not only a more even basis but will certainly be to the greater advantage of the Progressive Conservative Party. The government, sir, was a new government.

I would like to point out, too, that a factor in the situation was that the third party's character had changed to some extent. People who were familiar over many years with the letters CCF and had at least some idea of what they meant, were quite unfamiliar with this new designation of a group which is pretty well the same, I suppose—NDP, whatever meaning those letters have.

Consequently there was a certain amount of confusion with respect to this third party, and I do not know whether they are going to be able to improve their lot in the political life of the province and country. They have been having quite a few troubles in their own ranks this week, although I am going to say, Mr. Speaker, that I think that the hon. gentleman who left their ranks with such a flourish at the weekend is going to be counted by most people as a sorehead—which is of

course not a very appealing attitude in politics.

Mr. Speaker, I want to say that day by day there is a fresh appreciation of the leadership abilities of the hon. Prime Minister of this province, and of the continuation and extension of good government under his fine leadership.

Some people have written in various places that he is not a Leslie Frost. Well, of course, he is not Leslie Frost. He is John Robarts, and he has his own particular viewpoints and his own abilities and these will become more and more apparent to the people as the days go by.

The personality of the leader of our province is a most engaging one; is a most kindly one. I know this very well from certain occasions in my own riding when the hon. Mr. Robarts has met hundreds of the people of Muskoka at official events there. He has made friends with them freely and easily. He is just that kind of man, Mr. Speaker, and the people of Ontario will soon get to know this. In this House, I say to you, since the opening day of this session, there has not been a moment, when the hon. Prime Minister has not been on top of every situation which has arisen.

I believe, sir, that I know quite a bit about the attitude of the hon. members of this House who support the government, and I can assure the House that they are united behind the hon. Prime Minister in the tasks he has undertaken. And, Mr. Speaker, he will be continuing to carry on those tasks for a good many years to come.

It is very natural, as we refer to the hon. Prime Minister to think of the advances which have been made in The Department of Education under his leadership. There have been some very notable changes, including the remodelling of secondary schools—

Mr. A. E. Thompson (Dovercourt): You must be a Robarts' man.

Mr. Boyer: Mr. Speaker, I can assure you that all hon. members on this side of the House are Robarts' men.

Mr. R. M. Whicher (Bruce): I am glad the hon. member did not say Roberts' men.

Mr. Boyer: Well, the hon. member can take that as read, as well.

There have been some very notable changes, including the remodelling of the secondary schools system so that in the light of world conditions—as they are in the kind of world in which we live—our young people

will be better prepared to face the world. This, of course, is bound up, sir, with many matters in which the government of Canada has concern—the problems of employment and qualification for employment in an increasingly technical age—and the great success this week in Colonel Glenn's wonderful exploit demonstrates to us how the age in which we live is becoming more and more a technical age.

So it is that, by agreement with the province, Ottawa is to pay a major share in the construction of expanded facilities for composite schools, and vocational and technical schools across this province. There are to be two such schools established in the Muskoka district, with one in Parry Sound town as well. By this means every young citizen of Muskoka will have opportunity to acquire a high school education of an academic nature, or one of which vocational training will form a part.

This is a tremendous development, sir. It is one that has spread across our entire province. It could not have been undertaken, I submit, on the scale that has developed, had local municipalities been obliged to pay their share of the capital cost, and I can testify that in some cases this development has solved for some time to come the problems of accommodation for an ever increasing number of registered students.

Indeed, the registration of students in our schools is an index of the great growth and development of Ontario over recent years. You can consider that when the war ended in 1945 the number attending elementary and secondary schools was approximately 660,000. In the ten-year period from 1950 to 1960 the increase in enrolment was 646,000 pupils, and it is estimated that in the ten-year period between 1960 and 1970 the enrolment in elementary and secondary schools will add at least another 625,000 pupils.

Now, surely it is an amazing thing that in the years from 1950 to 1960 the enrolment of pupils in Ontario increased by an amount about equal to the entire enrolment at the end of World War II; and in the present decade the increase will again be about equal. In each of these two decades, then, the additional numbers of pupils have been about the same as the total school enrolment in 1945 which had been building up during the entire life of our great province's educational system.

I would say, sir, that I was mentioning some of the facts at a home and school meeting in one of the municipalities in my own riding. After I had left and gone home—after

a day or so—I received a letter from one of the gentlemen who was present, who said that he had never realized that there was this great problem in school accommodation in our province. He said that for himself he would never again criticize the sales tax which was necessary for the revenues of this province.

Now I would say, Mr. Speaker, that I think it is a fact that a great many people do not understand the necessity for this tax, and we would perhaps have done a great deal better, if we had called this tax an education and health tax because it is to be used entirely in those two departments. I think people should understand that situation to a greater degree than many may.

I can remember the hon. leader of the Opposition (Mr. Wintermeyer) in the year 1957 telling this House that we should not talk about Ottawa giving us any more money, that we should impose taxes in Ontario, raise the revenues we need ourselves. And the sales tax was one that he mentioned. In fact, at other times, in speaking around the province of Ontario, he said that there should be an education tax and this was what he had in mind.

Interjections by hon. members.

Mr. Speaker: Order! I would ask the hon. members to keep strict order during this afternoon. It is very difficult for me at times to know who exactly has the floor. I would ask hon. members also, when the Speaker is on his feet, that at that time at least, the hon. members should all be silent. Now I would ask the hon. member to proceed.

Mr. Boyer: Well, Mr. Speaker, I was referring to this tremendous development in school population that has called for many changes and has placed a great strain on the provincial treasury. In the present years we have seen the estimates for The Department of Education come to first place among all the departments of government. The expenditure for the current fiscal year will be perhaps around \$270 million. This is an overall increase from the amount of \$57.7 million of ten years ago, of over 400 per cent. This increase in provincial budgeting has been brought about not only by the grants paid for new classrooms, new buildings, new facilities, which have been constructed almost generally throughout the province, but also by the higher scale of grants paid. This scale is still rising.

One objective of the improved school grants has been to lessen the burden of the

cost of education on real estate taxation in the municipalities, particularly on the home owner and farmer. School grants are arranged with the object of creating the greatest possible degree of equality of education, whether it is education for young people in the cities, the towns, the villages or the rural areas. I would mention to you, sir, that in the district of Muskoka we have 25 organized municipalities, 18 of which are townships. They have good schools. Practically every one of them has a new and completely up-to-date central school building.

In the years that I have had the honour to be the member for Muskoka, my wife and I have attended many official openings of new school buildings in the district of Muskoka and now we are being invited to go back to some of those same schools where they are having a party for the opening of an addition to the schools. What is happening in Muskoka I am sure is happening throughout most of Ontario. The school population of Ontario is growing at a faster rate than the general population. The general population rose from 4,471,000 in 1950 to 6,089,000 in 1960 or somewhat less than 50 per cent, while in the same period school enrolment increased from 743,000 to 1,389,000 or just under 100 per cent. This is another indication of the problem of accommodation and provision of instruction staff and so forth that we have in this province.

Now, I do not believe that the standards of education have been lowered; quite the reverse. I believe young people today are very well educated considering the far more complex world in which we live and the greater number of things that they are called upon to understand than we were when we were in school. Just lately the hon. Minister of Education (Mr. Robarts) announced a change in the certification of elementary school teachers to authorize four standards of certificates. By this means there are greater incentives for teachers in our elementary schools to improve their qualifications and to keep abreast of the latest educational methods, to further education of themselves in departmental summer

courses or in other ways. This is a change which will affect many, and yet I believe that all will approve of this as another step in the overall improvement of the educational system of Ontario which is one of the world's finest educational systems.

There are great problems ahead of course, in education, in which so many are involved, and so many have a part in the administration of our school system. Many of the problems of schools must be settled on the local level among the ratepayers and the parents concerned. These cannot be as well decided under our democratic system by centralizing the authority in Toronto or other places and reducing the local authority of school administration. Consequently, those who talk about the province taking over completely in the educational field, or in any other field, and paying all the expenses, are actually advocating full provincial control. The partnership in this field of thousands of devoted people who serve as school trustees should be retained, I submit, in the fullest degree.

Now, sir, there are several other matters on which I would like to speak to the House—one in particular relating to the principal factor in the economy of my own riding. I mean the tourist industry. There are several things that I would like to draw to the attention of the House in that connection. I hope that I will be able to do so in a later debate and I thank you for your attention.

Mr. J. Trotter (Parkdale) moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, in moving the adjournment of the House, we will go on to the items that are on the order paper, tomorrow. There will be more second readings and we will resume the debate of the Throne Speech. We will resume at 10.30 o'clock, a.m.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.45 o'clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, February 23, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, FEBRUARY 23, 1962

The House met at 10:30 o'clock, a.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east and west galleries, students from Hillcrest Public School, Hamilton; in the west gallery students from Winona Public School, Winona; and under the Speaker's gallery a group of teachers from the Georgian Bay area.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. H. E. Beckett (York East): Mr. Speaker, I would like to present an interim report of the select committee on The Municipal Act and related Acts. There will be a copy on every hon. member's desk.

I just want to say, Mr. Speaker, that last March a select committee of this House was appointed to inquire into and review The Municipal Act of the province, and related Acts of which there are about 46, for the purpose of modernizing, consolidating and simplifying such Acts and making such recommendations as may be necessary for their improvement.

In the related Acts are a lot of the important Acts dealing with the municipalities such as The Assessment Act, Local Improvements Act and The Planning Act—and they are all related because they deal with subjects which deal with the municipalities' everyday workings.

This committee, during the short period from April to November of last year, reviewed many Acts with various officials of different departments and different municipal governments, and received many briefs dealing with the various Acts which have been considered. As the interim report indicates, Mr. Speaker, the review of The Municipal Act and related Acts is a huge task and it will take considerably more time to prepare a final report.

I think I can say, and the hon. members of the committee will agree when I say, that it is essential that when you have a revision of any one or more of the municipal statutes you must undertake, with due regard, the whole body of the municipal law. In other words, one cannot just take one Act and revise it and consolidate it. One has to consider all the Acts related to The Municipal Act. And the committee feels that more time is required to give it a thorough study.

Mr. Speaker: Motions.

Introduction of bills.

APPROVAL OF IMPARTIAL REFEREES AND ARBITRATORS

Hon. A. K. Roberts (Attorney-General) moves first reading of bill intituled, An Act to Provide for the Approval of Impartial Referees and Arbitrators.

Motion agreed to; first reading of the bill.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, anticipating that the House would like an explanation on first reading, I would say there is a problem at the present time in connection with the sufficiency of arbitrators and the qualifications of them, and that the use of judges as arbitrators has been quite extensive. Sometimes people try to simplify it by saying: "Well, if we don't use judges, whom do we use?" Labour and management take the view that there are probably other persons who are competent, but generally speaking they are not known because, again generally speaking, judges have been used.

This bill provides for a panel of suitable persons; it provides for the appointment of a board of supervisors and it would be suggested that one of the chief justices of the Supreme Court would chair that board of three. The board of supervisors would review persons who might apply for use of the title, "Approved Impartial Referee and Arbitrator."

The board would also have power to cancel that approval and the action would be subject to an appeal to the Court of Appeal.

This would not mean that only persons approved would be used as impartial arbitrators. The parties concerned would have the same choice they have now, including judges. This bill certainly does not exclude judges. But there would be this panel to go to look at, if the parties wish to, and choose from.

It does not mean that there would be any work arbitrarily distributed at all; it means that there would simply be a list of names of people who had been selected by this supervisory board, who have been put in this category because of being certified as being capable to be that type of impartial referee or arbitrator. It really means, in a three-man arbitration, the middleman, the third man; or in a single arbitration, the one impartial arbitrator.

The principle is the same as with, say, The Chartered Accountants Act, where certain people who have the qualifications get a degree of chartered accountancy but that does not prohibit other people acting as accountants. The same applies here. This is a selected group of people, chosen on their capacity, certified by this board, but it is in no way compulsory.

The bill, I would point out too, is a bill that does not come into force until it is proclaimed. So there will be ample time to judge its merits and it would go, as I anticipate most of the other bills in this group would go, to the committee on legal bills.

THE POLICE ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Police Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Mr. Speaker, at the present time local boards of commissioners of police are composed, by statute, of the head of the council, a county or district court judge designated by the Lieutenant-Governor-in-Council, and a third member designated by the Lieutenant-Governor-in-Council. The purpose of this bill is to authorize the Lieutenant-Governor-in-Council to designate two persons as members.

It means, in effect, that the reeve or mayor, the elected representative, still remains a statutory requirement of the composition of the commission, but that the other two are not necessarily in any particular category of citizenship. The choice would be that of the Lieutenant-Governor-in-Council.

Nothing is eliminated by this, but we are merely going a step further than we went a

short time ago when we took from the statute the specific requirement that a magistrate would be the third member. At the present time, as the statute reads, there is the choice of one, and statutory requirements as to two of the three members. By this bill there would be a statutory requirement as to one, the elected representative, and a choice as to the other two. This, of course, to some extent, fits in with the previous bill that I introduced.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, I would just like to ask one question, if I may. Does that mean that the other two appointed by the Lieutenant-Governor-in-Council would have to be members of the law profession?

Hon. Mr. Roberts: The answer would be "no". As I say, there is no specific statutory requirement laid down if this amendment goes through, except with respect to the one appointment.

Mr. Speaker: Introduction of bills.

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, before the orders of the day I should like to speak on a matter which I consider of the greatest public concern. I refer of course to the Cockshutt case in Brantford which the hon. member for Brantford (Mr. Gordon) discussed here yesterday.

I would like to say at the outset I agree in the main with those things which he said and would like to corroborate the facts which he stated at that time.

However, I want to say, sir, that the other night I happened to catch the hon. member for York South (Mr. MacDonald) speaking on TV. Ordinarily I would have turned off the TV because I see enough of him around here—I am sorry he is not in his seat today—but I should say that when I saw his genial countenance on TV I knew that there was some trick involved in what he was about to say. So, although ordinarily I would have turned it off, I wanted to wait for the—

Mr. K. Bryden (Woodbine): Mr. Speaker, on a point of order. I have been concerned for some time, as I think many other hon. members have, with the way in which the government abuses the device of making statements before the orders of the day.

Mr. Speaker: Has the hon. member a point of order?

Mr. Bryden: The hon. Minister (Mr. Warrender) is on the point of making a

straight debating speech, using a device that will prevent reply from the other hon. members. I submit his statement should be ruled out of order.

Mr. Speaker: I see no point of order on which the hon. member rose.

Mr. Bryden: I submit to you that the hon. Minister is engaged in a straight political debate but is using a device that will prevent an opportunity for reply and I submit it should be ruled out of order in all fairness.

Mr. Speaker: I think the hon. members will realize that on a previous occasion I mentioned that statements before the orders of the day should not be controversial or argumentative, otherwise they will raise controversy and argument. I have made that quite clear to the hon. members, in regard to statements before the orders of the day.

Hon. Mr. Warrender: Mr. Speaker, in fairness I must say that my statement may be controversial and for that reason I am prepared to sit down at this time and wait the earliest possible moment to continue on with my address.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before the orders of the day I have a statement to make which I do not think will be controversial, at least at this stage of the game. And I think it is a statement that is of great interest to the people of the province, and perhaps to the hon. members of the House.

I have pleasure in announcing today a new, broader and bolder approach to public housing on the part of the province of Ontario, the first such approach ever made in the province and far ahead of any comparable programme that we can find in any other jurisdiction.

Hon. members: Let us hear it.

Hon. Mr. Robarts: Just wait for it. If the hon. members wait long enough, they are going to hear quite a few things in the course of time. This programme provides for four immediate things:

1. an immediate and forward-looking attack on the major problems of housing those presently in need of low rental housing;
2. valuable supplements to what is now available through the encouragement of various specialized types of ownership or non-profit low rental housing;
3. it will embody an effort to encourage

and assist in the conservation of housing in borderline areas and of the acquisition and rehabilitation of housing earmarked for preservation in redevelopment areas; and

4. it will provide assistance in the solution of new and future housing problems in the province through the encouragement of special studies and research.

The programme upon which we are embarking is a 12-point programme and I propose to go through these 12 points this morning. It involves several proposals which will be carried out by the province alone on a trial basis, as well as three which will be co-operative efforts undertaken jointly with the federal government.

Last week the hon. Minister of Economics and Development (Mr. Macaulay) went to Ottawa and discussed with his federal colleague, the hon. David Walker, the Minister who is responsible for the operations of Central Mortgage and Housing Corporation, the programme in its entirety. Studies are now being undertaken by the housing branch, jointly with CMHC, looking towards the submission to the two Ministers concerned of a joint programme on the three points requiring co-operation.

These three points are as follows:

1. The acceleration of the current federal-provincial housing programme and, in particular, the planning of steps to simplify and speed up the operation. It is hoped that shortly it will be possible to announce jointly with the federal government the results of the studies now being undertaken on this point.

2. We are also discussing jointly with our federal opposite numbers the provincial proposal to acquire existing housing for public housing purposes wherever required. Present policy and present legislation, both on the federal and provincial levels, permit the acquisition of existing housing in redevelopment areas, and it is expected that the first use of these powers will be made during the 1962-1963 budget year. If the new proposal were to be adopted, both federal and provincial legislation would have to be amended. Studies are now under way involving both the staff of the housing branch of this government and of CMHC, looking into the possibility and the value of this extension. It is felt that the acquisition of existing housing, outside of redevelopment areas, for public housing purposes might be a faster and more economical way of meeting the requirements for public housing as they exist in the province,

particularly in municipalities where housing of a suitable type is available for purchase at reasonable prices.

3. The problems of providing public housing in Metropolitan Toronto are admittedly more complex than they are in any other municipality. This is due primarily to the fact that there are four governments involved in such projects; the federal, the provincial, the metropolitan and the area municipality governments. Because this complication, combined with the greater need for public housing to be constructed on a large scale, is apparent, we have proposed, and our federal partner is considering with us, the possibility of setting up the Metropolitan Toronto Housing Authority as a company empowered to negotiate, secure approvals, call tenders for, and construct public housing projects within that municipality. At present the Authority is authorized to administer public housing projects and to assist Metropolitan Toronto by undertaking or by participating in research studies concerning housing problems within that municipality. The advantage of extending the functions of the Housing Authority would be to provide one agency to deal with public housing rather than a partnership made up of four separate municipalities. If the details can be worked out and the scheme set in motion—and we see no reason why they cannot—it should result in the simplification and speeding up of public housing development in Metropolitan Toronto. In a sense this is an experimental project and, if successful, it may well be extended to other municipalities throughout the province. This proposal requires no change in the present legislation and it is hoped that an early conclusion to the joint studies now under way can be expected.

4. Item 4 presents a completely new departure in public housing. The province will undertake, on an experimental basis, a new form of public housing operation called a rent certificate plan. The Metropolitan Toronto Housing Authority will be authorized shortly to lease existing privately owned housing units, whether single family or multiples, which are available at a moderate rental. The Authority would then place in these units their own tenants, at rents in line with the standard rent scales charged in normal federal-provincial projects such as Lawrence Heights and Regent Park South. The Authority will pay to the landlord rents determined in the lease, but

will collect from the tenants rents based on their family incomes just as they would do in normal housing projects. It should be stressed that the units would be available only to families eligible for normal federal-provincial public housing. While the present intention is to carry out this particular scheme in Metropolitan Toronto, it may be possible also to carry it out in other suitable municipalities.

As I have mentioned this scheme is being undertaken on an experimental basis. The experiment is being carried out by the province alone. Should our experience prove successful, and should the federal authorities then be interested in entering into the scheme jointly with the province and the municipalities, the project may be extended. However, I must stress that the experiment will be carried out on a very limited basis only, since nothing is known in practice of the workings of such a scheme. If the programme should, for any reason, prove impracticable, we will withdraw from it entirely, placing tenants who may be in such private accommodation in new normal public housing as it becomes available.

5. We plan to explore what can be done to encourage by practical means, preventive maintenance of housing, particularly in areas which might otherwise ultimately become depressed areas resulting in expensive redevelopment. This will involve detailed studies undertaken jointly with the community planning branch of The Department of Municipal Affairs, Central Mortgage and Housing Corporation, and, perhaps, the municipalities, before a positive scheme can be mapped out. It is hoped that by a year from now a comprehensive programme of encouragement for preventive maintenance of housing stock may be announced.

6. Meanwhile, the programme envisages as its sixth point the provision of assistance to individuals and to municipalities to assist them in acquiring and rehabilitating housing units in borderline districts which do not yet acquire urban development. The province possesses, under the terms of The Housing Development Act, the power to guarantee loans. Studies will be carried out to see how such a plan can be worked out. Similar guarantees or assistance could be available to municipalities interested in acquiring and clearing non-salvageable residential properties in borderline areas, to make way for public purposes, e.g. public buildings, parks, etc. It should be stressed, however, that details will have to be worked out jointly with the community

planning branch of The Department of Municipal Affairs, and with various interested municipalities so that assistance of this type will not be given except in areas which are worth preserving. It is also hoped that the joint discussions now under way between provincial officials and those of Central Mortgage and Housing Corporation will result in joint action on a federal-provincial basis as an ultimate possibility in this field as well.

7. We feel strongly that in addition to accelerating and improving the public housing programme we should also look at other possible approaches to housing of low income families which might provide acceptable alternatives, or, in many cases, preferable alternatives to the present system. There are numerous possibilities under study but it is proposed to initiate this year a programme of encouragement for limited dividend housing. At present The Department of Welfare makes grants in aid of limited dividend housing companies constructing limited housing for the elderly. The housing branch makes, without charge, surveys of need and demand for municipalities interested in promoting such projects. In addition to continuing the present programme we now intend to work out a schedule of grants to limited dividend housing companies constructing projects for family housing and for housing of physically handicapped groups requiring special types of housing units, e.g. paraplegics or the blind. The proposed grants will be paid only to limited dividend companies operating on a non-profit basis. They will not be made available to limited dividend projects carried out by private builders operating on a 5 per cent profit basis. The amount of the grants in individual cases will be determined in accordance with the needs of the municipality concerned and the purpose of the grants is, of course, to encourage the development of such projects and to make possible the reduction of their rents to a level which can be met by low income families.

8. We intend, and this is our eighth point, to do what we can to encourage housing co-operatives producing single family housing units for ultimate individual ownership. Our purpose in doing this is to stimulate the active co-operation of persons willing to assist in constructing their own houses since these are mainly from the same income groups as are public housing tenants. The assistance would take the form of assistance in securing interim

financing, that is to say, financing up to the time when mortgage money becomes available to the co-operative. We are studying a plan to assist by guaranteeing loans for interim financing and by providing technical advice and supervision during the interim financing period. Similar programmes have been carried out in Nova Scotia and Newfoundland and in certain areas, mainly those of the smaller communities, they have achieved very notable results. Talks with groups interested in sponsoring co-operative housing will commence very shortly so that the study can go forward.

9. The public housing programme, as it has been carried out up to now, cares mainly for the needs of the larger organized municipalities. There are, however, other needs within the province. The ninth item of our programme deals with studies to be undertaken to determine these special needs and to determine the methods by which those needs may be met and the problem solved. The study will look particularly at the needs of communities too small for the present public housing programme; at the special housing such as housing of Indians who have left the reserve to work in mines or mills, etc., and the special problems of new industries locating in unorganized territories. These and many others will be examined and plans worked out to meet their special requirements. Further changes in our programme can then be initiated to take care of these problems.

10. Our 11th and 12th points deal with research and educational grants. Before touching on them, however, I would like to mention, as point 10, that we intend to set up, as soon as possible, a permanent housing advisory committee, either as an off-shoot of the economic council or independently. This committee will be made up of representatives from the various parts of the province, of the various interested professions and special groups whose advice and assistance can be of value. Its purpose will be to assist in the continuous development of the province's housing programme in line with the changing needs of the province and to ensure that the programme also meets the sectional requirements which may vary considerably from one part of the province to another. Membership in this committee will be announced shortly when arrangements concerning its setup have been completed.

11. This leads me to the last two points

of this programme. Number 11 deals with grants for research, etc. While there has been in the past no formal policy for such grants, provisions have now been made in the housing branch's budget to make such payments possible. The purpose is to encourage interested bodies or individuals to undertake studies on subjects related to housing, and particularly public housing in Ontario, and to foster research projects aimed at clarifying the general problems within the province and assisting in their solution.

12. Finally, as our 12th point, we are planning to work out, jointly with CMHC and those connected with the house building industry, a means of assisting the house building industry in the form of fellowships or educational grants for individuals in suitable subjects to be determined, to promote development of new ideas or better techniques within the industry. CMHC, on behalf of the federal government, already does a large amount of this type of work, and the province is prepared to carry out its programme either on its own, or jointly with CMHC, with a particular eye to ideas or techniques of special value within the province of Ontario.

I should stress that this programme is being undertaken by the province on an experimental basis. It is obvious that we cannot leap into many of the matters that I have mentioned here without further study and consultation with interested persons and bodies which have had experience in these fields. It is hoped, however, to make an immediate commencement on a number of the proposals and to clarify our position on the others as quickly as the progress of our studies becomes available and we are able to make final decisions as to the actual action that we are going to take.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, will the hon. Prime Minister (Mr. Robarts) advise this House whether it is the intention of the government to introduce any legislation at this session to implement the intentions that were outlined here?

Hon. Mr. Robarts: Yes, there will be some legislation, Mr. Speaker. I cannot tell the hon. leader of the Opposition specifically in regard to which point, but there will be as the programme is developed. It will require amendments which will be brought in here. I have not introduced them in the House yet.

Mr. Wintermeyer: Do we have the assurance of the hon. Prime Minister that specific legislation will be introduced during this session to implement the entirety of this programme?

Hon. Mr. Robarts: Not the entire programme. Some of it does not require legislation, as I pointed out; some of it does and some of it will require joint studies. As I say, we are conducting studies now with the federal people. But we intend to implement the programme. I have given the whole programme this morning so that hon. members can see the broad range of what we are doing. Some parts of it will require legislation which will be introduced here at this session.

Mr. Wintermeyer: Mr. Speaker, will the hon. Prime Minister give assurance to this House that we will have an opportunity to debate this whole programme?

Hon. Mr. Robarts: Well, I would think yes. The vehicle for debate will be the legislation which we introduce and I would be quite happy to debate anything that I have said here this morning, in whatever piece of legislation that we introduce, should the Opposition choose to raise it.

Hon. A. Grossman (Minister without Portfolio): We are all going to be in favour of this anyway.

Interjections by hon. members.

Mr. Speaker: Orders of the day.

OSHAWA COMMUNITY CHEST

Mr. T. D. Thomas (Oshawa) moves second reading of Bill No. Pr1, An Act respecting Greater Oshawa Community Chest.

Motion agreed to; second reading of the bill.

CITY OF BELLEVILLE

Mr. E. Sandercock (Hastings West) moves second reading of Bill No. Pr3, An Act respecting the City of Belleville.

Motion agreed to; second reading of the bill.

QUEEN ELIZABETH HOSPITAL

Mr. J. Trotter (Parkdale) moves second reading of Bill No. Pr4, An Act respecting The Queen Elizabeth Hospital for Incurables, Toronto.

Motion agreed to; second reading of the bill.

VILLAGE OF MARKHAM

In the absence of Mr. A. A. Mackenzie (York North), Mr. A. H. Cowling (High Park) moves second reading of Bill No. Pr8, An Act respecting The Village of Markham.

Motion agreed to; second reading of the bill.

TOWNSHIP OF NEPEAN

Mr. W. E. Johnston (Carleton) moves second reading of Bill No. Pr13, An Act respecting The Township of Nepean.

Motion agreed to; second reading of the bill.

NEPEAN AND OTTAWA BOARDS

Mr. W. E. Johnston moves second reading of Bill No. Pr15, An Act respecting The High School Board of the Township of Nepean and the Collegiate Institute Board of the City of Ottawa.

Motion agreed to; second reading of the bill.

Y.M.C.A. AND Y.W.C.A. OF CORNWALL

Mr. B. Newman (Windsor-Walkerville), in the absence of Mr. P. Manley (Stormont), moves second reading of Bill No. Pr23, An Act respecting The Young Men's Christian Association and The Young Women's Christian Association of Cornwall.

Motion agreed to; second reading of the bill.

SPEECH FROM THE THRONE

Hon. W. K. Warrender (Minister of Labour): This is the first opportunity I have had to speak in the Throne debate and I am very pleased to do so.

At the outset, sir, I should like to commend you, as is the custom, and I do not do this in any perfunctory way, for the fashion in which you carry on your duties as Speaker of this House. I think all of us on both sides of the House will admit, in their calmer moments, even though sometimes there are intimations to doubt your rulings, sir, that you are doing your job in a very competent and impartial way.

Now to get into those matters which I was about to discuss before the orders of the day—and I am grateful for this opportunity of speaking now because it gives me much greater time to go into the details I would like to go into—I started out by saying that

I wanted to speak about the Cockshutt incident in Brantford. And I reminded the House that as the hon. member for Brantford (Mr. Gordon) had spoken on this matter yesterday during his Throne debate speech, and also I indicated that I supported what he had to say and corroborated those things which he told the House because they are factual.

I should have gone on yesterday before the orders of the day, sir, but I felt that I should wait because I wanted to check certain facts and I believe it is only right that hon. members in this House when speaking should be sure of their facts and not just repeat hearsay evidence or even those things which they make up, which come here as outright falsehoods.

Now, sir, I want to come to the address made by the hon. member for York South (Mr. MacDonald) over TV on February 21. As I indicated in my opening remarks, I happened to have TV on at the time when his smiling countenance appeared on the screen. I kept the TV tuned on, as I say, because it was a most unusual condition it seemed to me for him to be in. I am used to having him appear in this House with his lip curled and his fangs bared, waiting to get at some juicy morsel, or smear somebody, and it occurred to me that I should wait and see just what the gimmick was. Well, I did not have to wait very long, Mr. Speaker, because as he got into his address and turned that smiling countenance to one of more serious mien, it became obvious that he was out to get somebody and this is what he did. That word is spelled "m-i-e-n" but it could be spelled the other way with equal force.

He got into the Cockshutt matter, but what disturbed me even beyond that—not only the smearing of this company, but the smear he made on the fine city of Brantford—but in addition he got into the ideology of his party and left the impression that only through economic planning, as he called it, could many of these great abundant gifts from his party be made available to the province of Ontario.

Here was the tenor of his remarks. I quote from the manuscript which he read from, the night that he gave this famous telecast:

Now, the Cockshutt firm, under the new name, CKP Developments, is going to take its millions, earned over the years from our agricultural communities, and invest them in real estate in Florida.

So all the people involved in an old Canadian firm, with 1,400 jobs and millions

of dollars, have been sacrificed to the greater investment prospects in Florida real estate. That's free enterprise.

Thirdly, thousands of Canadian farmers who bought Cockshutt equipment have no assurance that they will be able to get parts and service, so they may have a \$1,000 machine idle on their hands for want of a \$5 part.

In fact, this whole Cockshutt deal provides a most illuminating commentary on free enterprise, and the problems of government in implementing any real economic planning.

Then he goes on, paragraph after paragraph, and ends up by saying: "That's free enterprise in action!"

Then somebody lowered the boom.

I got into this because Mr. G. E. Vincent, president and general manager, wrote me, dated February 21, the same night as his address, and he starts out by saying:

It has come to the writer's attention that Mr. Donald MacDonald, leader of the N.D.P., is to make a speech on radio and television tonight, and that copies of this speech have already been distributed to the press gallery.

Now I looked into this and I found out that the hon. member for York South (Mr. MacDonald) knew that his statements about Cockshutt Farm Equipment Limited were not correct before he made them. Hours before his broadcast time, the CBC in Toronto and at Ottawa had been advised of the inaccuracies of the statements he was to make. Yet he persisted in going ahead with his programme of half truths, innuendoes, mis-statements and falsehoods. This is all given in the letter which was indicated by the hon. member for Brantford yesterday.

I say that I listened with great interest to the remarks made by the hon. member for Brantford yesterday. He was quoting from evidence he had received first-hand; I checked on the information, I find it to be true and I corroborate it; and these are not falsehoods coming from some big American "whatever the term used by the hon. member for Woodbine (Mr. Bryden) is."

Now I know this will not be too acceptable to the hon. members opposite in the socialist group, but nevertheless it is going to be said no matter how long we have to stay here. I am happy in a way that the hon. member for York South did go ahead with his remarks, although they were a smear on the company, the city of Brantford, and probably

will result in discouraging other industries locating in that city. As a result of his broadcast we now find—we all are aware—what he and his party mean when they talk about "economic planning."

These CCF socialist, NDP-ers, are bound that they are going to bring economic planning to this province, to this country; and now, after these disclosures over TV, it can well be said that the socialists are caught with their plans down. That is spelled "p-l-a-n-s."

Now what the hon. member for York South (Mr. MacDonald) and his national leader should be really telling Canadians is what they will do for Canada with their economic planning. The attack Wednesday night—

Interjections by hon. members.

Hon. Mr. Warrender: I am in no hurry, Mr. Speaker; I can outwait all of them.

The attack Wednesday night by the hon. member for York South on Brantford and one of its main industries is a classic example of just what he and his fellow members of the NDP mean by economic planning.

Let us examine how the ideology preached by the hon. member for York South is able to distort and twist facts, all in the name of democracy and economic planning. Indeed, he made no effort to learn the true facts, and ignored them when they were brought to his attention through the CBC prior to the broadcast.

He charged in his broadcast that all the people involved in an old Canadian firm, with 1,400 jobs and millions of dollars, have been sacrificed to greater investment prospects in Florida real estate. He sneeringly labelled this as free enterprise.

What he did not tell his viewers was that the old Cockshutt labour force was approximately 1,200 people. They worked an average of only 7 months per year, and this figure includes foundry and forge employees. White-Oliver, who purchased the old Cockshutt firm, did not buy the foundry and forge because both were old and decidedly inefficient and unprofitable.

He did not advise his viewers that the new Cockshutt is farming out its foundry and forge work to local industry, thereby cutting costs and at the same time assisting other Canadian companies in maintaining their labour force. The new Cockshutt's labour force—less foundry and forge—will build up to one greater than previously carried and will have a 12-month production schedule rather than a six-to-nine month schedule.

I got this information first-hand, contained in a letter to me, as I say, from G. E. Vincent, the president and general manager of Cockshutt Farm Equipment of Canada Limited, dated February 21, 1962, in case somebody wants to refer to it some time in the future.

Nor did the hon. member for York South feel it necessary to report that this Brantford plant of the Cockshutt company is able to build several machines such as swathers, combines, discers and cultivators more efficiently and economically than any plant in the United States. Contrary to the hon. member's view, the Brantford plant will build these items not only for the Cockshutt organization, but for United States plant and the export market as well.

The charge by the hon. member for York South that farmers will have no assurance of getting repair parts for Cockshutt farmers is just another example of that irresponsibility licensed by his particular brand of economic planning and socialism.

The fact of the matter is that Cockshutt has a tremendous stock of repairs in all parts of Canada. The company maintains this stock of repairs and certainly will continue to add to it as new machines are produced.

For the hon. member for York South to suggest, as he did, that a farmer would be stuck with a \$1,000 machine for want of a \$5 part is the worst kind of irresponsibility because it is a deliberate attack on an industry which is vital to the future of Brantford. His charges, now beyond recovery, will undoubtedly cause industries desiring to locate in the Brantford area to have second thoughts. And this is one of the most dastardly parts of his whole speech.

Despite the terrible damage the hon. member for York South has done to Brantford, at least we can all now be on our guard. If this is the economic planning envisaged by the CCF-socialist-NDP group, it is well to know what they really mean when they talk about economic planning. They really mean half truths, false statements, innuendoes and the destruction of the plans of communities to attract new industry.

Every citizen of Ontario should realize now what these socialists would do to their own municipalities in the name of economic planning.

Mr. K. Bryden (Woodbine): On a point of privilege, Mr. Speaker, I would like to congratulate my friends from the Liberal ranks for their co-operation in helping the hon. Minister (Mr. Warrender) to make a state-

ment that he could not make earlier under the rules.

Interjections by hon. members.

Mr. Speaker: Order! I would point out that I called the hon. member to order immediately. I would also point out to hon. members of this House that any hon. member who wishes to rise on a point of order is certainly privileged to do so at any time. However, I am sure you will agree the Speaker must bear in mind that if hon. members abuse that privilege, it is the duty of the Speaker not to recognize them. Now there was no point of privilege as claimed by the hon. member and I would ask him to withdraw what he said, since there was no point of privilege.

Mr. Bryden: I would like to ask, sir, on what basis I am asked to withdraw a statement which is a plain statement of fact? I will apologize to you, sir, if my point was not a valid point of privilege but as to making a statement of fact, I do not see on what basis I should be asked to withdraw it.

Mr. Speaker: I must point out to the hon. member there is no equivocation about what I ask; it was not a point of privilege on which he raised his supposed point. Therefore what he said must be withdrawn, purely on that basis.

Mr. Bryden: On the basis that it was not a point of privilege in your view, sir, I will withdraw it.

Mr. J. Trotter (Parkdale): Mr. Speaker, may I at the outset take this opportunity to thank you for the splendid way in which you have been guiding this House. I think you carry out the duties of your office with dignity and firmness, and as a member of this House, I am grateful that we have an outstanding person such as yourself in this office of Speaker of the House.

Instead of the hon. member for Woodbine (Mr. Bryden) rising on a question of privilege, I think I should have done so. And I would have, except I had this opportunity to speak, because I would not want to be accused of ever co-operating with the Tories. That is something I have never been guilty of doing. I assure the House I do not work along with them at all.

I would like to congratulate, Mr. Speaker, the newly-elected hon. member for Kenora (Mr. Gibson), the newly-elected hon. member for Brant (Mr. Nixon) and also the newly-elected hon. member for Beaches (Mr. Harris).

The two Liberals who have been elected, the hon. members for Kenora and Brant are, I think, something like the pathfinder squadrons that they had in the air force during the war. They set out to find the target, and when they found the target they blasted away and then led the way for the many planes that followed later. Hon. members opposite are going to find that there are going to be many Liberals follow, to such an extent that we are going to take over the government the next time there is an election.

So I thank especially the hon. member for Kenora and the hon. member for Brant for the fine way in which they are leading us on to greater heights and to better government for this province.

Mr. Speaker, we on this side of the House have had quite a bit to say about the need for better health services in Ontario. We have done our best to emphasize the pressing urgency of better services, especially in regard to mental health. The Throne speech always pays generous lip service to the problem but little else. It is not that nothing has been done. Grudgingly, after public embarrassment such as in the case of the Orillia Hospital for Retarded Children, the government makes some small improvement, but a very feeble improvement in comparison with the problem that faces us here in Ontario.

This government will not lead either in the health field or any other field unless pressured to do so by public opinion. That is why I am suggesting a select committee of this Legislature to investigate the state in this province of mental health services and how they can be improved.

I am well aware that this government often uses select committees and Royal commissions as excuses for putting off the making of decisions; to give the appearance of taking action but in effect avoiding this responsibility for leadership. However, a select committee can serve at least one good purpose. It brings into focus public attention on the problem or problems being studied. And public attention is most certainly needed in the field of mental health.

It is shocking how little leadership is shown by this government, when one remembers that mental health—or the lack of it—represents the biggest single social and medical problem in Canada. In its various forms, mental illness keeps more people in hospitals than all other diseases combined, including cancer, heart disease, tuberculosis and every other crippling and killing disease.

In any single day, about 70,000 sick people are living in Canada's mental hospitals; as

many people as would comprise a city about the size of Saskatoon, twice as many as Moncton. In Ontario, there are 23,000 beds in our mental hospitals and in a typical year they are used to treat 32,000 patients over and above the very large number who are seen in outpatients' clinics and counselling services.

The true cost of mental illness is tremendous. One expert calculates that the cost of running Canada's mental hospitals for a year, paying welfare charges for families of the mentally ill plus the indirect cost of loss of earnings, family breakdowns, suicides, crimes, accidents, if eliminated would:

Wipe out personal income taxes for every Canadian earning up to \$5,000 annually; or
present all newly-weds with a \$10,000 home; or

put a deep freeze unit in every home in Canada; or

provide university scholarships to train 50,000 doctors, nurses, dentists, teachers and engineers at no cost to the individual.

This problem of mental health has become such a vast and difficult problem striking equally across all groups of society regardless of race or economic status because government, and this government of Ontario in particular, does very little to solve the problem. Let us take a look at how little is actually done.

There is a hospital for emotionally disturbed children at Thistletown, which is one of our few efforts in research in mental health. There is a brand new, well equipped laboratory for research in this hospital, but it has been empty since the Ontario government took over the hospital in 1957. This government is either not interested or is incapable of finding any qualified personnel to operate the laboratory.

One director of a mental institution in Ontario who looks after 1,600 patients estimated that 1,000 of these 1,600 could still benefit from intensive treatment if the facilities were available. Tremendous strides have been made in the knowledge of mental illness but little or nothing is being done, especially by the government of Ontario.

It is known that occupational therapy is of tremendous help in curing mental illness, yet in spite of all the knowledge that is available to this government, the total number of trained occupational therapists in the provincial mental health service is 44 to look after a patient population of 23,000, the majority of whom could benefit enormously from having some productive pastime.

In one mental hospital in Ontario that has

1,800 patients, there are only two occupational therapy workers.

Despite the fact that every year 15,000 mentally-defective children are born in Canada and that we now have a national total of 500,000, we are doing next to nothing to study this problem, although it is known real progress could be made if personnel were supplied. Ontario is typical of this neglect.

We in Ontario not only lack highly skilled help, we also lack regular staff in our mental hospitals. We spend only \$5 per day per patient in our mental hospitals. A bed in a general hospital where patients are treated for physical illness or injury costs the public up to \$30 a day.

When one considers that our greatest problem in regard to health is mental health, it is obvious that this government is not doing nearly what is required to meet the problem.

One other matter that has given cause for discontent and has been one of the main reasons why we have not been able to obtain proper staff in our mental hospitals, is the problem of pay of attendants in mental institutions. Attendants in mental institutions must play a difficult, dual role of nurse and warder, and yet they get far less than guards in the Don jail or in penitentiaries; and certainly even these guards and jailers are underpaid. The comparative figures are as follows:

An attendant in a mental hospital for the first two years gets from \$2,760 to \$3,120, and then \$3,120 to \$3,600; supervisors receive from \$3,600 to \$4,050. A guard in a jail starts at \$3,480 to \$4,050; a corporal receives \$4,050 to \$4,400; a sergeant from \$4,400 to \$4,800; and a lieutenant from \$4,800 to \$5,250.

It is reported in a Toronto daily newspaper that the hon. Minister of Health (Mr. Dymond) has promised to look into this. I will venture to say that he will look into it and then look the other way. The hon. Minister says he is interested and I do not doubt him, but it is more than obvious that the all-powerful treasury board in this Tory government has little interest and could not care less about mental health in the province of Ontario.

Our federal government allots \$1.50 per head per year for research on defence, and \$3 on atomic energy; but we spend only 4.50 cents per head per year on research into the cause, diagnosis and treatment of illnesses like mental derangement and retardation. The present hon. Minister of Health started a mental health research foundation and

from private resources, \$500,000 was donated. The government has not seen fit to add to these private funds, nor has much assistance been given to the mental health research foundation.

This government's approach to the mental health problem over the years is in many ways best illustrated by the Penetang Hospital. There are two divisions, as hon. members probably all know, of the Fort Penetanguishene Hospital. One is the Oakridge or maximum security division housing 270 men detained either because of alleged connection with some crime, or because as inmates of another Ontario hospital they have proved unmanageable.

The other division houses 200 men and 200 women patients. These patients are either there on purely civil grounds, either as voluntary patients or because they have been medically certified as insane. Also mixed in with these people is another group of persons held behind bars in Oakridge who have committed no crime nor have they given any trouble. Leonard Bertin, the Toronto *Daily Star* science editor, has reported that their presence there is: "a reflection on the unfortunate state of the rest of the hospitals, where buildings are long outdated and are in some cases a disgrace to the province."

It is possible for a person to be committed to a hospital for the mentally ill such as the hospital at Penetang for the rest of his natural life. He can be committed to that hospital, either by a court or by physicians, and can be kept there until he dies without any opportunity of a review of his case except by a review of the staff of the hospital; a staff incidentally which is undermanned and underpaid.

Some years ago, there was what has been called the McClure commission which investigated the cases of those people who used insanity as a defence when charged with a crime. This commission suggested that every year a board of independent experts should review the cases of each of the judicial patients in provincial hospitals.

These recommendations were not accepted by the provincial government here in Ontario, but it seems that this will be the solution to some extent in solving the problem of not only those mental patients who are held in our institutions because they pleaded mental insanity, but also it would provide a review board for those people who have been kept in our mental institutions because they were voluntary patients or because they were committed for other reasons.

Mr. Speaker, we had a discussion here yesterday on the bill of rights for people in Ontario. But when we bear in mind that there are people in our mental hospitals that could be kept there for the rest of their lives with little or no recourse, hon. members can see that there are still many facets in our laws that we must improve if we are really going to give individuals in this province a real and true bill of rights.

Our provincial hospital at Penetang has been called a "provincial disgrace", a place for voluntary patients kept in buildings that are long outdated. I am glad to see that it is reported in our newspapers that the hon. Minister of Health hopes to rebuild the section of Penetang which is reserved for non-judicial patients from the local surrounding area, which includes Collingwood and Barrie "as soon as funds are available in seven or eight years".

Imagine, Mr. Speaker, despite all the publicity that has been given to this problem, despite the fact that this is an obvious disgrace to the province of Ontario, despite the fact that the way we conduct the Penetang hospital is contrary to everything that medical science tells us is the right way, this government talks in terms of "hoping to do something". Imagine! Hoping to do something in seven or eight years.

Well, they are not going to be here much longer and there is going to be a new government in this province and the work will be done long before that time.

Despite statements published by the hon. Minister of Health assuring that the police have only to ask the assistance of an Ontario hospital to get an emergency case admitted for treatment, Ontario still continues to jail the mentally ill; and the mentally-ill people who really have a rough time in the province of Ontario are those who have committed no crime. Under Ontario law, as now interpreted by the legal advisers of the mental health department, provincial mental health hospitals may not accept persons charged as mentally sick by the police unless they have been charged as well with another crime. In other words, as long as a person has committed some offence against the law, a magistrate can send such a man to a hospital for examination but if a mentally-ill person has been picked up by the police but has not been charged with a crime, the mentally-ill person is merely lodged in jail.

This fact was brought prominently to the attention of the Ontario public by the warden of the Renfrew county jail who complained

of the archaic conditions at his jail which have resulted in violent mental patients being tied to cell beds for a period of days. The Canadian Press reports read as follows.

This is from Pembroke. It is entitled:

MENTAL PATIENTS TIED TO JAIL BEDS—WARDEN

Archaic conditions at Renfrew county jail have resulted in violent mental patients being tied to cell beds "for a period of days", jail warden Thomas Chambers said yesterday.

Reporting to County Council on "utterly impossible" conditions in the jail, Mr. Chambers said that during the last two months the jail has accommodated 10 mental patients.

"Three of these were extremely violent and dangerous. In some instances mental patients have to be strapped to the bed and tied hand and foot for a period of days. In some cases they are kept in jail for a period of 10 days to two weeks before their admittance to hospital can be arranged."

Mr. Chambers said 25 to 35 men are jammed into cells designed 50 years ago for seven or eight prisoners. First offenders, hardened criminals, and alcoholics of all ages were imprisoned together, with no means of segregation.

Two prisoners nearly succeeded in sawing their way out of cells two months ago, he said.

"The situation can be remedied in only one way—expansion", the warden told the council.

Certainly from that press clipping, Mr. Speaker, it is obvious that at fault is not only The Department of Health but The Department of Reform Institutions and The Department of the Attorney-General.

Protests of Warden Thomas Chambers brought about a press release from the Canadian Mental Health Association which in part read as follows:

Time and again this association has pointed out that mentally-ill people have been sent to jail by Ontario law officers and has called for a halt to this barbarous practice.

Said Bertrand Gerstein, President of the Canadian Mental Health Association, Ontario Division:

Yet somehow it continues despite statements published by the Minister of Health assuring that the police have only to ask

the assistance of an Ontario hospital to get an emergency case admitted for treatment.

We think it is high time for the Attorney-General, the magistrates, and other law officers to take some positive action to get mentally-disturbed people to emergency quarters in local hospitals. Overcrowded or not, jail is no more a place for mentally-ill persons than for a coronary victim. Both need medical treatment quickly, not penal custody concluded Mr. Gerstein.

Now the hon. Minister of Health has publicly given assurance that no person suspected of being mentally ill should ever be taken to jail by police or remanded there by magistrates. However, despite the hon. Minister's assurance, the practice continues.

Officials in the government say, and I quote: "The law is the law and a ministerial direction cannot change it". The law states that where a person is charged with an offence in addition to the charge of being mentally ill, he may be remanded to hospital; but a person who is charged only with being mentally sick shall be sent to a safe and comfortable place.

Because the mental hospitals are not specifically named as a safe and comfortable place, the legal officials seem to think that mental hospitals should therefore not be considered as such. I know that in reply to a question, the hon. Attorney-General (Mr. Roberts) said in this House that he considers a mental hospital a safe and comfortable place, and I am glad to hear that, but despite what he says and despite what the hon. Minister of Health says, in practice the jailing of the mentally ill still goes on.

There are only four beds set apart in the Toronto Psychiatric Hospital for mentally-ill patients picked up by the police and there is usually a long waiting list.

Two recent cases, both reported in local newspapers, indicate what normally happens. One was of a woman who caused a commotion in an Avenue Road church declaring that she was the daughter of God and demanding the money owing her.

She was taken by police to the city hall and seen by Justice of the Peace Stuart A. Williamson whom Senior Magistrate Elmore has directed to deal with such cases. Mr. Williamson explained that he had no alternative but to remand her to the Don jail for examination and she was taken off screaming: "I may be ill but I am not a criminal."

The second case was a man who removed his clothes in a city hall cell and then naked started climbing the cell bars. It was later established that he had distributed \$1,000 among people he met earlier in the day. He too was remanded to the Don jail.

Persons who have committed no crimes end up in the Don jail because they are mentally ill.

Once a person has been seen in the Don jail by doctors and diagnosed by them as mentally ill, city hall authorities rush committal papers to the mental health branch at Queen's Park by despatch rider. From then on, the business of finding accommodation in an Ontario hospital and informing the Don jail is normally dealt with by mail. A sick person may remain in the cells for anything from 48 hours to eight days or more. Protestations of the hon. Minister of Health and the hon. Attorney-General to the contrary, very little has been done about this problem.

Now, as late as yesterday evening the hon. Minister of Health was quoted in the paper as the result of his discussions with the Metro welfare committee as follows, and this is from the *Toronto Daily Star*, yesterday's paper:

Ontario Health Minister Matthew Dymond told Metro welfare committee today his department will look after apparent mental health patients detained by police. In a letter Dr. Dymond said Ontario hospitals at Toronto, New Toronto and Whitby will accept patients at any time but he said they would have to be sent there by the police.

In other words, the same procedure as I have outlined just before making this quotation. It still prevails, that sick persons will still remain in a jail from 48 hours to 10 days simply because they are mentally ill, not because they have committed a crime.

Metro Chairman William Allan said he would ask the police commission to investigate arrangements with the health department to have persons detained in hospital instead of at the Don Jail if they appear to be suffering from a mental illness. I am convinced this distressing matter can be solved quickly, he said. [That is Metro Chairman Allan.] Alderman Margaret Campbell said it was remarkable that the health department had always had facilities while the issue had been debated in public. Swansea Reeve Dorothy Haig said, they just have not bothered.

Well, I do not believe facilities always have been available here in the city of Toronto.

We have only four beds for mentally-ill people picked up by the police in the Toronto Psychiatric Hospital and our hospitals here have far too many people in them now. I can agree if the government says there is not proper space, but if there is not proper space this has been a neglect of the government for a period of 18 years and the responsibility still rests with this government. I think Swansea Reeve Dorothy Haig speaks the truth when she says: "They just have not bothered."

The last part of this newspaper clipping I think has some good advice for the hon. Minister of Health.

Last week Dr. John Griffin, director of the Canadian Mental Health Association, said use of the Don jail for holding mentally-ill prisoners is condemned by police magistrates, municipal officials and psychiatrists, yet nothing was being done to stop it. He suggested banging a few heads together at the official level.

I think possibly the hon. Minister of Health should bang the heads of the treasury board together and get some funds to do something about this pressing problem of mental health.

Dr. Barry Boyd, the newly appointed superintendent of the Penetang Hospital, has said, in referring to the problem of the mentally ill:

This is not a problem that can be solved in Penetang—it is one for the community to solve. Every intelligent citizen should stay awake for a night or two and ponder over it.

That is why I suggest, Mr. Speaker, that a select committee of this Legislature be appointed to look into the problems facing the mentally ill. Perhaps, the resultant publicity will cause enough public interest to pressure this government into far more than it has been doing. Mental health is a major health problem facing our province and our country today and yet government sleeps on. Let us have a select committee and perhaps, just perhaps, this government will try to do something to improve the situation of these mentally ill.

Now, Mr. Speaker, before I sit down I would like to address myself to one more problem that is facing not only the province of Ontario but all of Canada; and of course I am mainly interested in how it affects Ontario.

In Ontario today, there exists a social problem of such magnitude that it can be rightly called a crisis, and this crisis will

continue to worsen unless we take immediate steps to stop it. Thousands of adults are unable to find satisfactory employment, and the consequent unemployment is caused at least in part by insufficient education and obsolete occupational skills. This situation will become more acute with increasing automation of business and industry.

The Canadian economy is bound to suffer, but worst of all, the spiritual and social cost to the community is bound to be enormous. Education, re-training and upgrading of skills is not the whole answer to our problem but it can go a long way in solving this crisis.

In Toronto alone, we spend \$1.5 million per week in unemployment benefits to assist the unemployed. We must see to it that these people get more than just a government cheque. We must help the people to help themselves. The unemployment insurance cheque must be combined with opportunities for rehabilitation through work, job training and community work designed to pave the way to a productive place in society for those who were once unskilled.

This is the situation in Canada today: over 70 per cent of Canada's unemployed in one recent year had no schooling past Grade 8; one-third of Canada's children are still leaving school with less than Grade 8 education; Canada has only half as many skilled workers in proportion to population as the United States—one-third as many as Germany.

I was surprised to learn that, Mr. Speaker. We think that we are well advanced, but in proportion to our population we only have half the skilled workers as the United States, only one-third the skilled workers that Germany has.

To continue: a recent national employment service survey in Toronto showed 19,340 jobs for skilled workmen going unfilled and 23,000 unplaced workers—unplaced because they could not qualify for the 19,000 empty positions; an estimated 2 million Canadians are functionally illiterate today, that is, they are not capable of taking and applying further training; the core of unemployable persons is getting larger. Last winter it was estimated at 80,000—and now the estimates run as high as 200,000 for all of Canada.

In the tremendous prosperity of the forties and fifties, many hundreds of thousands of Canada's young people left school for the high-paid unskilled jobs in construction and road-building and mining work. During that period, the number of potential job-seekers in Canada rose by approximately only 5,000 a year.

Then the "war babies" came upon the labour market. By about 1957, there appeared 100,000 teenagers a year on the market. The crop in 1958 and 1959 was 111,000.

To quote from a report by A. V. Pigott, director of the Canadian Association for Adult Education, he says:

In 1960-1970, 1 million young people will need employment at a time when room must be made for immigrants and married women—a time when there are fewer people living on investments and more elderly people hoping to work. The problem will not be solved by keeping out skilled immigrants—we need skills, married women and older workers—we need their ability and experience.

Unemployment is striking hardest at the younger people. In March, 1960, in the city of Toronto 74 per cent of the heads of families and 48 per cent of the single people unemployed and receiving relief were under 40 years of age.

This is a tremendous social waste, Mr. Speaker, and it is coming about because governments, and particularly this government, are taking very little or no interest.

During the autumn of 1960, nearly 40 per cent of the recipients of welfare in Scarborough were under 29 years of age. Even those young people without adequate training who do find jobs must accept those with little future or security. Generally, Grade 10 is required even for menial jobs and Grade 12 for the lowest position in an office. Ontario provides an example of the numbers lost to even these jobs.

For example, in a recent year, we had 397,000 pupils entering elementary schools; 33 per cent dropped out before high school; 35 per cent dropped out before junior matriculation; 24 per cent were out before senior matriculation, and only eight per cent entered university.

Two-thirds of these students, Mr. Speaker, dropped out before junior matriculation; in other words less than one-third of these students are available for training in a nation which needs trained men.

About one-quarter of the secondary school students in Canada are enrolled in vocational courses, however, about three-quarters of those who leave secondary school obtain jobs which are largely technical and for which training ought to be of a technical or vocational nature.

When we say that one-quarter get trained but three-quarters of our students go into

vocational work, we can say that we are sending out a huge number of people onto the market that are untrained.

At present, good training facilities are not being provided for this large group of the population. It would appear that far less than two-thirds of the students who will go into vocational occupations have an opportunity for technical training.

If we do not attack this problem, Mr. Speaker, of the poorly trained and unskilled, we will have to pay the bills of our neglect in the form of relief, unemployment insurance at an ever increasing rate. Today, the bill for unemployment insurance benefits alone amounts to \$500 million a year. Added to this are the costs of family breakdowns, crime and social unrest.

If we leave a hard core of thousands of people who are permanently unemployed and eventually unemployable, we will nurture a cancer that will give us nothing but trouble in the future. It should be evident to all that we must be able to afford to spend large sums of money on imparting skills to people whether they are employed or unemployed. If we make it possible for those who are already semi-skilled to upgrade themselves, they will climb the ladder and leave room at the bottom for those who at the present time have no employment.

If the thousands of people on whom we spend half a billion dollars a year in unemployment relief had been at work, they would have earned more than double that amount—double the figure again to cover the production they would have brought about, add one job for every so many employed being necessary for their service, and so it goes on.

Unemployment is an unhappy and an expensive condition. Education and training can do much to solve the problem.

And mind you, Mr. Speaker, I am not saying it solves the problem entirely. I am saying that it can do much, it can go a long way to solve the problem of unemployment.

Seventy per cent of British university students are supported on generous terms. The students in Russia receive a salary. In Canada, one student in six receives some kind of financial support.

The demand for unskilled workers is dropping off and will continue to do so. The term semi-skilled is taking on a new meaning at a higher level than it had formerly. Many people are as obsolete in the world of work as are the tools they handled and the machines they tended a few years ago. From

1949 to 1959, employment in Canada increased by 24 per cent. The changes in occupation took place as follows:

Now remember that our employment increased in ten years 24 per cent, but employment in the professions increased 71 per cent; the skilled 38 per cent; the white collar 34 per cent; the semi-skilled only 19 per cent; and the other types, that is the unskilled, decreased 27 per cent. So the unskilled worker and the semi-skilled worker are caught in a vise and this will become a cancer of the future in our social life and in our economic life if we do not do something to solve it forthwith. The demand—

Hon. G. C. Wardrope (Minister of Mines): Our federal-provincial trade training school programme, costing over \$100 million, instituted last year, was to take care of the situation the hon. member mentions. Our government acts without delay in these matters.

Mr. Trotter: I hear the hon. Minister from Port Arthur (Mr. Wardrope) and I will give him very shortly figures as to the record of this government and how little they have been doing.

The demand is definitely in the field of the skilled worker. It is obvious that government is going to have to concern itself much more with the training and re-training of adults and with pursuing the problem of preparing youth for the world of work.

It is a fact that there is a demand in Toronto and elsewhere for skill. Many continuing job opportunities go begging for persons to fill them while we have large numbers of job applicants in our files.

Populationwise we are a very small country and the only way we can maintain a high standard of living is to have a high standard of craftsmanship, to be creative and to be venturesome. We cannot afford to waste either our raw products or our talents.

Ontario's record in re-training the unemployed is mighty poor. Schedule "M"—it is now called Programme 5, but for years it was known as Schedule "M"—of the special vocational training project agreement between the federal and provincial governments first came into effect in Canada in 1945 and has been continued up to the present time through the vocational training agreement and is now referred to within the last year as Programme No. 5.

While Schedule "M" was signed by British Columbia, Alberta, Saskatchewan and Nova

Scotia in 1945, Ontario did not bother to sign the agreement with the federal government until 1948. Even then, Ontario failed to implement the programme. The idea was, under Schedule "M", that the federal government would pay 50 per cent of the cost of re-training unemployed workers. In the past year, the federal government has upped its ante to 75 per cent of the cost.

M. J. Fenwick, assistant to the director, District No. 6 of the United Steelworkers of America, pointed out in an address of February 11, 1961, that Ontario's training record was less than two per cent of the workers training in Canada under this scheme.

Now that is a shocking thing, Mr. Speaker, only two per cent of all the workers trained under the scheme were trained in Ontario. This despite the fact that we are an industrial province, the leading industrial province, and despite the fact that we are the largest province, only two per cent trained in all of Canada were from Ontario.

Of 23,100 people trained under the scheme up until November of 1960, Ontario had trained only slightly over 1,000 people. Mr. Fenwick claimed that his investigation led him to conclude that although Ontario had trainees listed under Schedule "M", no actual Schedule "M" training had taken place in Ontario. He claimed that apparently this province had been registering night class students and others as Schedule "M" trainees to pad the records. When he made this charge, representatives of the provincial government were present and the charge went unanswered.

I suggest, Mr. Speaker, that The Department of Education, under which this training programme comes, needs a full-time Minister. This is not a part-time job and I think when we see results such as this even when the hon. Prime Minister (Mr. Robarts) was working full time on the job, they were not doing a very good job. I think this is one more item to point out that the hon. Minister of Education (Mr. Robarts) should confine himself with that department.

Prior to February, 1961, Ontario had a very poor showing despite the fact of the rapidly growing technological unemployment. In the fiscal year 1957, no workers were re-trained. In 1958, 151; in 1959, 177; and in 1960, 65. All of these, so far as we can find out, were in Windsor. Enrolment in Ontario in the year 1960 under Schedule "M" amounted to a mere 1.4 per cent of the national total. It is a shocking record.

According to a table supplied by the Canadian vocational training section of the federal

Department of Labour, Ontario had nine persons in training, ostensibly under Schedule "M" in November of 1960, six in commercial courses and three in welding. This compared with 119 in Newfoundland, and 113 in New Brunswick.

After 15 years of indifference, the government of Ontario in January of 1961 finally instituted a stepped-up programme under Schedule "M", but just how feeble this increased programme is in comparison with the needs of the times I will demonstrate.

Besides Schedule "M", which was included in the federal-provincial re-establishment agreement in 1945, which was legislation of a Liberal government, there were other schedules. For example, under Schedule "P", which is training for primary industries, Quebec has trained over 58,000 people; Ontario a mere 10,000; Manitoba 32,000; British Columbia over 72,000; and yet Ontario, still the largest province and the great industrial province, has trained only 10,759.

It is obvious that Ontario has taken very little interest in the re-training of its unemployed. The hon. Minister of Education who is responsible for this training has paid little or no attention to the advancing technology and the needs of the work force of Ontario.

For example, the total cost of Ontario's re-training programme for the unemployed in the year ending March 31, 1960, amounted to just over \$18,000, including the federal share of 50 per cent.

Now the federal government pays 75 per cent of the cost. This means that every dollar of improvement to the programme in terms of facilities, living allowance, instruction, etc., will cost Ontario 25 cents. With this assistance and prodded by a growing public impatience the Ontario government last November made one of its dazzling announcements—one of its better headline-getting announcements—of the millions it was going to spend on re-training.

Let us take a look at this effort. Of 6,893 unemployed people interviewed in Toronto for re-training courses only 1,829 could qualify.

The main reasons why the vast majority could not take the courses were as follows: 45 per cent had a Grade 8 or less education. The courses usually call for a Grade 10 education. A desired course was not available for 16 per cent. Twenty-six per cent could not get by on the living allowance. A married man with three children must live on \$36 per week. The average wage in Toronto is \$80.00 per week and of all the people that

were turned down, only 15 per cent were turned down because it was felt they did not have the proper motivation.

Despite all this 1,829 were available. But even at its best only 515 are on course at the provincial institute of trades.

Hon. members can see that the programme that the province now has comes nowhere meeting the problem and I am safe in saying, Mr. Speaker, that such a programme as announced by the government is a phony programme.

At the present time there are over 60,000 unemployed in Toronto, 120,000 unemployed in Ontario. It should be obvious that the government is making no real effort. No matter how big the headlines, the programme is a phony.

And I think there is no better illustration of that, Mr. Speaker, than the memorandum that each hon. member of the Legislature received from the educational department of the Italian community, the promotion centre here in the city of Toronto. It is a well drawn-up memorandum, it is very terse and to the point and sets out exactly and illustrates very well just what kind of a retraining programme we have here in Toronto and in Ontario. This is from the memorandum:

ONTARIO'S VOCATIONAL RE-TRAINING PROGRAMME

The problem: under existing Ontario laws and practices it has become impossible for an adult to learn a designated trade unless he is prepared either to join the armed forces or unhappily becomes an inmate of a penal institution.

And this despite the fact, Mr. Speaker, that we had headlines last November saying that the government was going to spend \$100 million on re-training. But the memorandum goes on:

In November of 1961, in what was widely heralded as a serious effort to cope with the growing unemployment problem among immigrant workers, the Ontario Department of Education gave its approval to a programme for the re-training of unemployed citizens under Schedule Five, which included a series of courses at the provincial institute of trades.

The courses provided for 50 per cent academic training and the remaining time to be devoted to an orientation programme by which the student would move from shop to shop spending approximately 100 hours in each and acquiring the basic skill in each of a number of trades.

Well, Mr. Speaker, this was fine, and so they went ahead in December of 1961 to line up prospective students and then in January of 1962 they hired 13 instructors for the provincial institute of trades to carry out the programme. Then on January 9, 1962, a battery of national employment service counsellors processed 225 applications for the up-grading classes. Mind, even as a pilot effort, this would have some hope, but at the most this is 225 in a city where there are 60,000 unemployed.

Then one day after they processed these 225 applicants this is what happened on January 10 of this year: the provincial institute of trades, where the courses were planned to take place, received instructions from The Department of Education that all practical work in the designated trades was to be stopped.

On the afternoon of the same day, 180 unemployed citizens with high hopes reported for training in anticipation that both theoretical and practical work would be available. They were informed that unexpected problems had arisen re the practical phase of the course and that for now the academic phase only would be given.

Now it has been possible since 1945 to have this type of course; and this government today, after all its big announcements, is still having its practical problems. So for all intents and purposes, these people are getting no training.

On January 14, 1962, the Italian Community Promotion Centre dispatched a telegram to the Hon. John P. Robarts, Prime Minister of Ontario.

They are a group here in the city and I know of one church in my own riding where they have been doing work on this re-training. I do not wish to mention the names of the various people concerned, but certainly responsible people—I again repeat that this is typical. I know of other instances, but because this memorandum is before every hon. member here in the Legislature I am referring to it. Certainly different churches and different social groups in the west end of Toronto have done their best for this particular group of Italians.

This is not only a matter of Italians, this is a matter of all the unemployed here not only in the city of Toronto but in Ontario. It is the question that they need training and I do not care what their racial background is.

On January 14, 1962, the Italian Community Promotion Centre dispatched the

following telegram to the Hon. J. P. Robarts, Prime Minister of Ontario:

ITALIAN COMMUNITY OF TORONTO DEEPLY REGRETS REVERSAL OF THE GOVERNMENT'S FIRST DECISION TO PROVIDE TECHNICAL AND ACADEMIC TRAINING FOR ITALIAN IMMIGRANTS AT THE PROVINCIAL INSTITUTE OF TRADES UNDER SCHEDULE FIVE.

IT IS THE SINCERE HOPE OF THE ITALIAN COMMUNITY THAT THE GOVERNMENT WILL RECONSIDER THIS REGRETTABLE ACTION AND IMMEDIATELY REINSTATE ITS FIRST PLAN TO PROVIDE FOR EFFECTIVE TRAINING UNDER THIS SCHEME.

The upshot of it all has been that the government has not seen fit to re-establish its programme or to bring it back into action—to activate it as they promised.

On January 16, 1962, bricklaying, plumbing, steamfitting and painting instructors were informed that their employment would terminate on Friday, January 19.

On January 18, 1962, the timetable at the provincial institute was reorganized and an announcement was made that there was no shopwork in the designated trades. Some practical work was provided in welding and in cabinet-making, since these trades were not considered then designated. Classes operated from 4 p.m. to 11 p.m.

On January 22, The Department of Education, apparently after consulting the director of the apprenticeship branch of The Department of Labour, discovered that any work in cabinet-making was also unacceptable to The Department of Labour.

Then again on the same day, the provincial institute of trades were informed that cabinet-making instructors would terminate their employment as of January 26, 1962, and that this phase of the programme would cease.

Then on January 26 the attendance classes averaged 105 men, of which 28 men were taking basic training in academic subjects, 38 in academic subjects plus welding, 21 men taking blueprint reading plus academic subjects, and 29 men taking for the last day cabinet-making plus academic subjects.

Now, this is just typical of the feeble efforts the provincial government has made in re-training. We have a situation of hundreds of thousands of unemployed in Canada, 60,000 alone in Toronto, and this is the poor feeble effort being made by the government here. Certainly the Italian community's memorandum shows us how feeble this re-training programme really is.

Mr. Speaker, this is a tremendous, pressing, urgent problem of Ontario's untrained unemployed, and if it is to be solved we must, among other things, do the following—here are some suggestions for you, you are so short on ideas over there, so here are some suggestions for you:

(a) encourage our school children to remain in school longer;

(b) encourage vocational training and enhance its prestige;

(c) give those taking the courses decent living allowances;

(d) give municipalities greater access to low-interest funds; special help is needed by certain areas of the province more economically depressed than others; secondary industry needs sponsorship in order to give more stable conditions; and

(e) increase our university population.

But most of all, Mr. Speaker, give the province some leadership. It is a shame and a disgrace that the greatest province of a great nation has thousands of unemployed when the cause of freedom needs everybody at work. We need a new government in this province, Mr. Speaker, and the great win of the Liberals in the recent by-elections is a sign of hope for progress in the province of Ontario.

Mr. H. E. Beckett (York East): It is a privilege—

Mr. K. Bryden (Woodbine): Is the hon. member the chairman of the redistribution committee?

Mr. Beckett: Why not? I would like to do that. I assure you, Mr. Speaker, that would be a privilege.

However, it is a privilege for me, Mr. Speaker, to say a few words on the Throne debate and also on municipal government and the general body of municipal law in force today in the province.

It was over 40 years ago that I first entered Scarborough township council and York county council—and at the time, Mr. Speaker, you really only had to know something about The Municipal Act, The Assessment Act and The Local Improvement Act. However, today, besides many more Acts and regulations, there are scores of private bills of which you must have some knowledge. The field is ever growing larger and therefore much more difficult to understand.

The Baldwin Act of 1849 has well deserved

the title of "The Magna Carta of municipal government in Canada." Though the Act of 1849 may appear to many to be merely a matter of historic interest, such is not the case, since it still stands today as the statute upon which all our municipal institutions are based and from which in principle no radical departure has been made.

It brought into existence the basic unit of the township council from which all other councils have been developed, and that Act fixed the number of a township council at five, and the five to be elected annually, with one of them to be appointed as reeve and, if the population was sufficient, another as deputy reeve.

The council back in those days was given general authority to carry out the affairs of the municipality, pass certain by-laws, appoint officers, buy real estate for the purposes of the municipality, establish schools, undertake works, improve roads, license and regulate trades and businesses of various kinds, and impose and collect rates and borrow money sufficient for the municipality. For urban municipalities, there were only a few existed at that date and they were given similar powers. As a matter of fact, it was a common council with no boards or commissions.

In 1924, Mr. Speaker, a similar bill was proposed here, not in the Legislature but before a committee, to have the common council of the municipalities of the province of Ontario; but it only got to committee stage.

It is now well over 100 years since the original statute of our present system was passed, and while many amendments and amplifications have been made to keep pace with municipal progress, the basis has remained unchanged throughout the 15 consolidations and revisions of The Municipal Act made from 1859 to 1960.

During the 112 years which have elapsed since the time when local home rule was first granted, there has been a tremendous development in municipal affairs; and it now seems a far-off day from the time when the problems which chiefly confronted a municipal council centred around the questions of stoning the main roads and streets, providing ditches, laying wooden walks, erecting gas lamps, employing police, pounds, fences, and other matters which now appear simple and inexpensive, though at that time they were very important. But even up to the end of the last century, the conduct of municipal affairs was largely free from the complications of the present age; probably the biggest

problem and financial burden which until that time municipal councils had to face, was the subsidizing of railways, and that is something that you wonder about.

I can remember very well, when a proposed railway was to be built east from Toronto, that all the local municipalities were asked if they would guarantee a certain amount in debentures. That was done in quite a few instances, in the subsidizing of these railways, so many of which proved to be disastrous financial commitments for the municipalities.

The past 60 years has witnessed a remarkable transition, revolutionary in many of its aspects, in municipal enterprise and activity. There was a day when municipal undertaking was confined to the provision of works and services of a very limited character and extent, and beyond these limits it was not thought advisable or competent for a municipal council to embark. There was a clear-cut line between matters of public and private enterprise, and any invasion of the territory of private capital was strongly protested.

Nor was it thought proper, Mr. Speaker, for a community to enter into the field of religious, philanthropic and charitable organizations, except perhaps by the granting of some monetary aid by way of encouragement. However, that is all changed today, and it is now somewhat difficult to conceive of any activity or interest into which it would be felt that a municipality could not launch, whether it is a matter of general community enterprise or of a sectional or even individual character.

It is not easy to particularize as to the cause of this revolutionary transition, since it is the multiplicity of these causes, coupled with the remarkable difference in mental outlook upon human affairs, which go to the root of the change. Not only the state, but the municipality, has been obliged to take the place of the parent and assume the responsibilities of the individual in many human relations—as is readily seen and observed when municipal undertakings for schools, recreation, hospitals, charity, child welfare and other moral and social influences are examined. And in the field of public works and services the change is probably more apparent when we look upon our utility undertakings, highway systems and the like.

Around The Municipal Act, however, there has had to be built up that general body of municipal law to take care, in a legislative way, of the various phases of activity and enterprise into which municipalities have

ventured or been drawn. To such an extent has this grown that it now occupies about one-third of the statute journals of the province, requiring reference and cross-reference to all manner of legislative enactments of a public nature, and a keen memory for all the special and private legislation which most of the urban and even some of the rural municipalities have obtained to serve local needs.

The consequence, Mr. Speaker, is that the body of municipal law in force today is so vast in extent, so complicated in its nature, so full of pitfalls for the unwary, it is possible for but the few of the legal fraternity who have specialized in the subject to be able to say that they have any intimate grasp and understanding of the law so as to properly interpret it correctly to advise municipal bodies and their officials. It is really to be wondered that the many thousands of personnel, comprising the various municipal bodies and officials throughout the organized municipalities of the province now numbering nearly 1,000, are able to function; and it speaks well for the intelligence and honesty of purpose on their part, and the skilled legal advice they are able to obtain, that so few of our municipalities wander into serious trouble through non-observance of the requirements of the law.

The development of the past 60 years has, however, made such a marked impression upon the conduct of municipal affairs, that the time has arrived when it is not only desirable but necessary to undertake a survey of our municipal institutions and to determine whether our system as originally founded, or as it has been developed and amended, is sufficient for the present and the future. While during the past 60 years or so there have been many consolidations or revisions of The Municipal Act, The Assessment Act, The School Acts and other municipal legislation, such work has to a great extent been confined to the legal and not to the practical and administrative aspects, and there has been no attempt to consolidate or revise the whole body of municipal laws so as to bring it under any comprehensive, co-related and co-ordinated system.

Basically, our present municipal system is founded upon the creation of a corporation formed of the inhabitants of a particular locality, with the conduct, management and administration of their communal affairs vested in an elected body called the municipal council, composed of a specified number of the inhabitants chosen by the

remainder of the inhabitants. Originally the council reigned supreme within the ambit of municipal affairs as provided for in the municipal statutes and, except in respect to schools, the reign of the municipal council continued untrammelled for a great number of years, even to the point of incurring debt for municipal purposes without reference to the inhabitants. Gradually, however, inroads began to be made upon the domain of the council as municipal authorities spread and as the calls upon the public purse grew to substantial proportions.

An early limitation placed upon the scope of a municipal council was with respect to its power to incur a debt not to be authorized without the approval of the inhabitants. In other directions, the breach of the council's citadel was enlarged, and specific functions of municipal government were centred in newly created bodies and functionaries. Particularly, Mr. Speaker, has this era of decentralization developed in the past 60 years, until now we find, on looking over the municipal arena, that the municipal council has been shorn of much of its pristine glory and in many respects now serves but as a collecting and distributing agency between the general body of the citizens and the bodies or functionaries managing and administering various municipal enterprises and undertakings.

The result, Mr. Speaker, is that today we are blessed or cursed, as the point of view may be, with a great number of bodies which govern and administer our municipal affairs. In the average city in Ontario today we will in all probability find a council, one or more utility commissions, police commission, parks board, town planning board, board of health, board of education, vocational school board, library board, and perhaps other boards or commissions, the members of which are elected by the people or appointed by their elected representatives. And to this must be added the great number of other bodies of a public or quasi-public nature which, in reality, serve the municipality in their particular fields just as the council and other bodies mentioned may do, although they are not necessarily the creatures of the general municipal statutes.

Under this latter category fall such bodies as boards of trade, chambers of commerce, industrial commissions, harbour commissions, highway commissions, hospital boards and innumerable others. While in the small urban and in the rural communities the situation is not quite the same, yet even there the tendency has been towards the creation of bodies

separate from the municipal council to look after some work or project of a special nature. If to all these elected or appointed bodies are added the great host of municipal and public officials, who, in an executive capacity, administer local affairs, it will readily be conceded that we have enough if not a surfeit of municipal government.

While it may be quite easy, Mr. Speaker, to say that the people have been given only what they wanted, when all these additional bodies have been created, it is a question whether such a statement is really true and, even if true, whether compliance with the apparent demand was warranted or sound. The fact is that in the age of legislating for municipal needs there is too great a tendency to wholly absorb prevalent ideas to the exclusion of the lesson of previous events, and without any due regard being paid to the future. We live too much for the present and are satisfied to ask for and to be granted what appears to be the thing of the moment.

Too little attention, I maintain, has been paid during the past 60 years of development to the logical outcome of all the schemes which have been put forward for municipal progress, and the time has now arrived when some serious and conservative thought must be given to the ultimate outcome of our municipal institutions. It behooves the leaders in the municipalities and in this Legislature, and everyone, to consider very carefully whether or not the craze for decentralization has gone far enough and perhaps even now too far, and if it would not be advisable to retrace our steps to some extent and restore to municipal councils, and thereby to the people, greater and more direct control over municipal undertakings and expenditures.

Thank you.

Mr. A. H. Cowling (High Park) moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before moving the adjournment of the House I would like to move, seconded by the hon. Minister of Energy Resources (Mr. Macaulay), that this House meet at two o'clock on Monday next and that Rule 2 be suspended so far as it applies to this motion.

Mr. J. J. Wintermeyer (Leader of the Opposition): Will the hon. Prime Minister (Mr. Robarts) advise the House whether it

is his intention to continue the suspension of the rule indefinitely, or is this for a particular occasion only?

Hon. Mr. Robarts: It is for a particular occasion. I mentioned earlier in the week that I would like to wind up the Throne debate on Tuesday. Now in looking at the number of people who wish to participate in the Throne debate, I think it can be completed on Monday. If we sit at two, I think it might be possible to complete it without a night session. If we do not complete it by six o'clock, we will have a night session

on Monday in order to complete the Throne debate.

Motion agreed to.

Hon. Mr. Robarts: Mr. Speaker, we will continue on Monday as I have outlined.

Hon. Mr. Robarts moves adjournment of the House.

Motion agreed to.

The House adjourned at 12.45 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, February 26, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, FEBRUARY 26, 1962

The House having met at 2 o'clock p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: In the east gallery, Nelson High School, Burlington and St. David's Separate School, Toronto. And in the west gallery, St. Gabriel's Separate School, Willowdale and Heather Heights Public School, Scarborough.

Presenting petitions.

Reading and receiving petitions.

Motions.

Introduction of bills.

Orders of the day.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I rise on a question of privilege.

On Friday last the hon. Minister of Labour (Mr. Warrender) spoke in the Throne Speech—unfortunately I was out of the House at the time with another commitment—and during the course of his speech he delivered something of a blistering attack upon myself with regard to some of my comments on a telecast on Wednesday night. I am not going to discuss the content of that telecast because there will be other opportunities in the House to deal with issues, about which he is apparently extremely sensitive. However, in the course of his remarks—and I have checked with the actual *Hansard* transcript—he sums up one point in this way: In reference to myself he said, "Indeed he made no effort to learn the true facts and ignored them when they were brought to his attention through the CBC prior to the broadcast." That is the end of the quotation.

Mr. Speaker, the hon. Minister of Labour was very dogmatic and very assertive but he was nonetheless in error. Nothing was drawn to my attention by the CBC prior to the telecast. I may add by way of explanation

that a wire arrived from the industrial commissioner in Brantford on Thursday morning at my office; it was timed for some time on Wednesday afternoon so we checked with the telegraph company and they have apologized for its late delivery and have sent an explanation back to the sender. I had no word either directly from Brantford or through the CBC prior to the telecast. The hon. Minister of Labour, I repeat, was in error, as he often is.

Hon. J. Yaremko (Provincial Secretary) begs leave to present to the House the following:

The annual report of The Department of Reform Institutions, Province of Ontario, for the year ending March 31, 1961.

SPEECH FROM THE THRONE

Mr. R. F. Nixon (Brant): Mr. Speaker, may I first thank you, sir, for your kindness and hospitality to me personally, as I—a new member—have gone through the procedure of becoming a seated member of this House. I greatly appreciated your interest and your co-operation. May I also, through you, sir, thank many other hon. members on both sides of the House for their kind interest in my election and also for their good wishes to me on the assumption of my seat. I have found, during the past week that the reservoir of goodwill that has been bequeathed to me by the late member for Brant, my father, has been almost overpowering and I promise you that I will endeavour to conduct myself in this Legislature always with the thought—and with your help—to maintain this reservoir of goodwill at its present full capacity.

While I am passing out some bouquets and expressing myself in a personal manner, I would like also to compliment various hon. members of the government for the way in which they have handled some small business matters that I have been asked to draw to their attention by my constituents. They must have very efficient staffs working for them because I know these small matters of business have been certainly well attended to, and I thank the hon. Ministers concerned very sincerely.

Mr. Speaker, as a new member of this House I certainly feel all the ordinary qualms when I rise to address this august gathering, particularly when I feel that the late representative whose seat I have taken was such a master of debate himself. However, I am reasonably familiar with the Chamber and the buildings, having been brought here since I was a very young boy and, as I look around the Chamber, I still see the benign countenance of Mr. Stalin admiring our proceedings from the stonework on both sides; and, of course, there are many other oddities about the building and Chamber that are reasonably familiar to me.

As a matter of fact, as most of you know, my father came to this House first at the age of 28, and as a Minister of the government. In those days evidently there were some considerable differences as far as Ministers were concerned, and as far as their facilities were concerned. This was brought to mind just last night when my mother was discussing some of the procedures that obtained in those days and the Ministers of the government in 1919 all had private apartment facilities adjoining their offices.

So, when the Nixons moved into town, they simply moved into the Parliament buildings and set up light housekeeping. It was not until the odour of frying fish penetrated this Chamber that the then Prime Minister decided that this nice arrangement had gone far enough and he called a halt to it. So I would like to call the attention of the hon. member for Wentworth (Mr. R. C. Edwards) who was just criticizing the office facilities the other day, that even the Cabinet facilities have deteriorated to some extent.

However, all of us on this side have the opportunity of seeing the hon. Prime Minister (Mr. Robarts) and the hon. Minister of Energy Resources (Mr. Macaulay) having a light lunch from time to time during the afternoon, so probably the facilities have not deteriorated too much. Actually it is a very good idea, as the hon. Minister of Energy Resources no doubt would know, that a little glucose taken in the late afternoon never hurt anybody.

Mr. Speaker, the riding of Brant has had more than its share of publicity in the last few weeks and I would like to deal briefly with one or two items in connection with it. First of all, we were certainly gratified at the interest taken by the people of Ontario in the by-election that has recently been concluded in that riding, which, as you know, occupies most of the county of Brant, as well as some municipalities in the county of Norfolk and one municipality in the county of Oxford.

During the campaign, we had the opportunity to hear all three of the party leaders in this House, as well as many private hon. members, in addition to several hon. Cabinet Ministers who saw fit to come up to our riding. And in this connection, may I say that we were certainly pleased to hear the interest taken in the affairs of Brant riding by the then hon. Minister of Highways (Mr. Cass) and the present hon. Minister of Agriculture (Mr. Stewart). In their progress through the riding they made some very useful comments that I think would certainly be of interest to this House. For one, we are now expecting the re-engineering and re-construction of the famous Cockshutt Road—there is that word again entering into debate—which runs south from the city of Brantford through the county. We understand that the re-engineering and re-construction will cost in excess of \$800,000 and we are looking forward to its early beginning and certainly a good job being done upon it.

We are also pleased that the hon. Minister of Agriculture, Mr. Speaker, saw fit to make a speech concerning tobacco marketing in the areas so concerned in our riding and we were very pleased at his interest in the marketing plan and applaud his remarks on that occasion strenuously.

The other event that has brought my riding and the riding of the hon. member for Brantford (Mr. Gordon) somewhat into the news in recent days has been the disclosure that meat which has been cut from fallen animals, or dead animals, has been offered for public sale; the centre of this nefarious practice appears to have been Brantford and Brant County, much to our embarrassment, and much to the embarrassment of the many fine, but small, abattoir and meat-sales businesses with which the hon. member for Brantford and myself have been associated in the last few weeks, as they have come to us with their troubles.

As you all know from reading the public press, this meat scandal is actually province-wide, but the names of Brantford and Brant seem to be more closely associated with it than any other in the consciousness of the people who are buying meat.

Mr. Speaker, you are familiar with the fact that meat can be inspected under the auspices of the federal government and much of the meat now distributed in this province is so inspected. If you are not already familiar with the details, however, I would like to draw to your attention that, in order to come up to the levels required by the federal meat inspection policy, it is necessary

for very expensive and far-reaching improvements to be made on the many small slaughter-houses in operation in Brant County, as well as the other counties throughout the province. I believe that to come up to the standards of federal inspection is financially out of the question for these small abattoirs. If the government is going to force them to do this—probably by simply allowing the housewives who do not wish to buy uninspected meat, to apply economic pressure to them—it is not realistic, in other words, for the government to expect them to come up to these high standards.

I personally feel—and certainly I am speaking for the people concerned in our county—that the consumer must be protected, certainly by a very careful meat inspection process, I would say, under the auspices of the provincial government, with levels of inspection which can be attained by these smaller abattoirs.

There is no doubt that if the consumer forces these small businesses to come up to the level of inspection of the federal government—which is designed for inter-provincial shipments, or international shipments—many of these small businesses will be forced out of business, and the market will be left to the eight or 10 large packing-houses and we, on this side, certainly feel that this would be a disastrous turn of affairs.

I am sure, Mr. Speaker, that no member of this House would expect the hon. member for Brant to sit down without referring, in some small measure, to Indian affairs. I, for one, have heard the late member make a lot of verbal mileage out of this topic and I have been subjected to much of it myself, and it is certainly the duty, I would think, of the member for Brant to bring the Indian affairs to the attention of this House since the riding of Brant encompasses the largest Indian domain—at least, with the largest population—in the province.

You may be pleased to know, sir, that in the recent by-election, the Indians in Brant County took part in the election in much greater numbers than they have in the past. We feel that they are gradually overcoming their prejudice against taking part in the affairs of the province of Ontario and we look forward with great pleasure to the day in which this part of our electorate will take full responsibility for their affairs, as far as the provincial government is concerned.

Already, our Department of Highways is constructing an excellent road from one end of the reserve to the other. Now this is something that has been hanging fire for

some time and the Indians are certainly very grateful for this construction as it goes forward. But there is one other aspect to this construction, which I would like to bring before the House, and that is that this road, if it were extended somewhat, actually to the extent of about another three miles, would be a great boon, not only to the Indian population, but to the other citizens of Ontario, who make use of, and travel in, that area. You may not be aware of the fact that the Grand river divides the Indian reserve into two parts and, during the past few years, since the ferry across the river has fallen into disrepair and is no longer usable, Indians and others concerned in going from one part of the reserve to the other, have had to make a 16 mile detour to cross the Grand river, either at Brantford or Caledonia. Now this is a considerable hardship and I would heartily recommend to the hon. Minister of Highways (Mr. Goodfellow) and his department that, while he is undertaking the reconstruction of this highway through the reserve, he might look carefully into the reconstruction of the ferry across the river and see to it that it is put in working order for the Indians, and for the convenience of others associated with it.

Now, by a fortunate chance, Mr. Speaker, the location of this ferry is just at the old, colonial homestead once occupied by the famous Indian poetess, Pauline Johnson, whom you may have heard quoted under other circumstances in this Chamber. This is a beautiful home in the centre of the rich, Indian lore and culture of the Six Nations domain, and at present a committee of Indians, in co-operation with a committee of interested citizens, is working on its restoration. I believe The Department of Travel and Publicity has erected a plaque there, but I think that this would be an ideal spot for co-operation between the hon. Minister of Travel and Publicity (Mr. Cathcart) and his department, and the hon. Minister of Highways and his department, because here, in the centre of the Six Nations reserve, in a part of Ontario that is densely populated by other citizens, would be the perfect spot for a tourist attraction involving Indian culture.

Here we would have a beautiful and famous home beside the picturesque Grand river, and it is picturesque largely because of some considerable improvements made by the various municipalities up-river from that point. It would be on the main road through the reserve, and I am sure that if the hon. Ministers concerned would see fit to take action on this, it would make a marvellous contribution to our centennial celebration

which is coming up in the near future, and I hope that the hon. Ministers concerned will seriously consider this suggestion. Perhaps, in this connection, Chief Trail-Blazer and even, let me see, Chief Calm Pond, I believe, the hon. member for Victoria (Mr. Frost), who has not been in the House since I have come in, would use their good offices with the hon. Ministers concerned and speak on behalf of their Mohawk brethren in furthering the suggestions.

Before I leave the topic of Indian affairs, it has also come to my attention that, although the people of the Six Nations reservation are not organized as a regular municipality under The Department of Municipal Affairs, they are, in a sense, a self-governing entity with their own council and their democratically elected chief, but when they apply for certain aid and help, from the various departments of the government, they are denied this help and aid because, as the officials concerned say, they are not a regularly constituted and organized municipality. Cases in point that have come to my attention recently have to do with the community programmes branch of The Department of Education, the re-stocking programme of The Department of Lands and Forests and the availability of travelling bookmobiles or libraries, which I believe are also directed by The Department of Education.

On three separate occasions, the chief and the various committees of Indians concerned, have asked the departments of government for help with the building of a community hall and the institution of a community recreation programme in the Sour Springs area of the reserve. They have asked for help in the re-stocking of the lands and lakes with birds and fish and they have asked for the services of a travelling library. Now as I understand it, sir, they have been denied these advantages because they are not a regularly organized municipality. I certainly hope that the hon. Minister of Municipal Affairs (Mr. Cass) will look into this carefully and see that these services are made available to our Indian friends on the Six Nations reserve and elsewhere.

It is not my intention, Mr. Speaker, to occupy the valuable time of this assembly, but there is one further point that I would like to draw to your attention and it has to do with a topic that has been previously raised in the Chamber when I have been here; that is the apprenticeship age in the designated trades to which the hon. Prime Minister (Mr. Robarts) referred briefly, I believe, last week.

As hon. members know, the designated trades are controlled by the apprenticeship branch of The Department of Labour. As the regulations concerning apprenticeship now read, a young person may enter into an apprenticeship in the designated trades between the ages of 16 and 21. It has already been brought to our attention that this is affecting certain people who have been taking training for the unemployed in the Italian community of this city of Toronto. But it has never been brought to the attention of the House that it is affecting other people, in other parts of the province. The board of education in the city of Brantford, by which I was employed until recently, has a very far reaching and broad plan for the re-training of the unemployed.

In this connection they are offering a course in motor mechanics which is available only to people registered as persons being unemployed. This course is of 6 to 8 months' duration. It is not a makeshift course at all; these people have direct access to the very elaborate facilities for the instruction of motor mechanics at the Brantford Collegiate Institute. But since these facilities are in use every day, the unemployed people to whom I have reference have to use them beginning at 9 o'clock in the evening and extending through until 4 or 5 a.m. It seems to me that no one can doubt the sincerity and the eagerness of these people to better themselves in the light of the circumstances by which the course is given. Now it turns out, of course, that since motor mechanics is a designated trade, the people concerned with this course now find that it will not be possible for them to enter into an apprenticeship in the regular way.

I submit, Mr. Speaker, that this is a real hardship for the people concerned. In the opinion of the teacher who is conducting and giving this course, some of the best motor mechanics in the area will be turned out by the course and yet it will not be possible for them to enter an apprenticeship because of one of the regulations of The Department of Labour.

It has also come to my attention—and I cannot say this for sure—but I believe that Ontario is the only province in Canada which requires this age restriction on apprenticeships. As the representative of some of the people concerned in this special case that I have brought to your attention, I would strongly urge the hon. Minister of Education and the hon. Minister of Labour to see that this regulation is changed to at least accommodate the people concerned.

Mr. Speaker, it has been brought to my

attention once again that we have the threat of a night sitting hanging over our head. My hon. friends on this side have entreated me to be brief, and so I intend to be. I would like before I sit down, however, to say that I look forward to joining in subsequent debates in this House.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, I certainly want to commend the hon. member for Brant (Mr. Nixon) for his debut in this House. I think that he has made quite an impression. As he mentioned in his last remarks, I know that we will be hearing from him in various debates throughout this session.

I would like also, Mr. Speaker, to welcome the hon. member for Victoria (Mr. Frost), who has just come into the House, because we have not seen him for quite some time, I do hope that he is well.

Mr. Speaker, many hon. members of the House in their opening remarks on the Speech from the Throne have spent quite some time on congratulations to various hon. members who have become Cabinet Ministers and the reshuffling of other hon. Ministers. I am going to combine this in one statement and say: "Congratulations and best wishes in your new positions." However, I will single out the hon. Prime Minister (Mr. Robarts) and say to him: "May God guide you in your endeavours and may you receive the full co-operation of your Cabinet."

May I say a welcome also to the new hon. members. May they be the representatives that they wish to be.

To you, Mr. Speaker, I want to commend you on the efficient way you are handling your very difficult task of maintaining order in the deliberations of this session.

In listening to the hon. members of the House, I find that they may be classified in three categories: one group is here to expound the good that their party has done and why they should continue to govern; we have another group which is here to criticize what the party has done or failed to do; and we have a third group which has talked a little about his own riding and topics in general.

I think from the previous remarks that I have made in this House, hon. members will say that I have been one who has demanded something from the government for the citizens of Windsor. I have spoken on behalf of Windsor because my predecessor had fallen into the category of the first group that I mentioned. He was expounding the

virtues of his party to such an extent that he was forgetting the needs of the people he represented. I say to hon. members that if they lose touch with the people who elected them, they are in for a rude awakening some day.

Some of the demands that I have made in the past have been granted, namely, the teachers' college and the Highway 401 overpass. For this I have expressed the appreciation of the people I represent. However, in my participation of the last two years in the Throne debate, I have asked for changes in legislation, which would benefit not only the Windsor area but also to a very great extent this province as a whole.

I am not going to forget it, for I feel it is of utmost importance, not only to this province but to the people of the Windsor area, that such legislation should be enacted. I am speaking about The Succession Duty Act. Time and time again it has been brought to my attention that hundreds—yes thousands—of Americans, who live from one hour to two hours' drive from their home to their place of work in downtown Detroit would be only too willing to establish in Windsor or its suburbs if The Succession Duty Act were changed. They would be from 15 to 20 minutes' drive from work by establishing a home on our Canadian side. However, they do not take advantage of this because of The Succession Duty Act.

The father of a friend of mine was a high official of the Chrysler Corporation; in fact, he was one of the vice-presidents. This gentleman passed away four years ago. For four years his son has been trying to get this succession duty affair settled. He cannot get an understanding between the Ontario government and the State of Michigan. All this time the money left to him has been tied-up and cannot be put to use. For an American to die in Ontario costs money and plenty of it.

Lum Clark of the *Windsor Star* recently stated that Americans are driven out of Ontario because they find it too expensive to die here. Here we are, a province trying to do all we can to attract new industries, new capital, greater population. The Americans see the opportunities of establishing here and the potentialities that we have, but when they hear of this Succession Duty Act, it knocks them for a loop and they stay away.

I say, Mr. Speaker, that this government can set up its Ontario economic council and its associated organizations for all it is worth and spend thousands of dollars for its growth and its development, but unless it looks into this Succession Duty Act and effect certain

changes, the Ontario economic council will not get off the ground. I say: "Start cleaning up your own house before inviting any visitors to it."

I am sure that if a good attempt was made at this, the province, and especially we in Windsor, would have several new industries. For the third consecutive year I urge this government to look seriously into this matter. The Windsor Chamber of Commerce and our Greater Windsor Industrial Promotion Committee say that this change would mean more than 4,000 jobs for the Windsor area. Hon. members of this government certainly know the conditions in the city of Windsor as far as the unemployment picture is concerned.

Mr. Speaker, in my riding there is a little town known as LaSalle, which today is part of the township of Sandwich West. LaSalle was once known as Petite Cote which means small hill. Its residents are traditionally of French ancestry. The people there are gardeners and fruit growers. The area is renowned for Petite Cote radishes and green onions throughout Ontario, Quebec, the States of Michigan, Ohio, Illinois and Indiana. In fact, Mr. Speaker, in order to acquaint the hon. members of this House with the Petite Cote radishes and green onions, I have arranged with the members of the LaSalle branch of the Ontario Fruit and Vegetable Growers Association to ship in the very early spring to each hon. member of this House a few bunches of these radishes and green onions. I know that after hon. members have tasted them, they will agree with me that there are none finer on the North American continent. They do excel.

These gardeners also grow tomatoes, carrots, beets, asparagus, lettuce, cabbage, peas, wax beans and green beans. They find their market in Ontario, Quebec and the States. Mostly, however, they sell on the Detroit market. Every day during the spring and summer these gardeners go across the Ambassador Bridge to Detroit and sell their produce on the wholesale market of that city. They will leave around 3 o'clock in the morning, sell their produce around 8 o'clock, return, gather fresh products again from the fields, wash, bundle them, pack them and get ready for another trip the following morning.

These gardeners are competing with the gardeners around the Detroit area and the State of Michigan. They must pay duty on their produce when they bring them into the State of Michigan. They have been doing this for generations. Now it seems that their Canadian colleagues, who are not competing with them, are going to cause them

trouble. It appears that the Canadian Horticultural Council is demanding that the Canadian government enact legislation that all products shipped interprovincially or exported to other provinces and the States be in new containers or crates. The LaSalle growers, as I mentioned, are in heavy competition with the Michigan growers who sell these products, and they sell them in used crates or containers.

A new crate for a dozen beets costs a Canadian 35 cents a crate, whereas an American pays 10 cents for a used container. If the Canadians who already have paid a duty to sell their products to the States are forced by the Canadian Horticultural Council to use these new containers or crates, they will be forced out of business. I want hon. members to remember that the American buyers are not asking for these new containers, it is the Canadian horticultural group which is forcing this upon the Canadian grower.

I say, how silly can we get in doing business? There must be some very strong lobbying by the Canadian container manufacturers to have this legislation enacted. Our own hon. Minister of Agriculture (Mr. Stewart) has assured me that his department will be watching this very closely. I do hope that the hon. Minister will, because this is very important to the growers of that area. To me, such legislation is a detriment rather than a help to us.

Again, I say that it could be of great help to the farmer, to the gardener and the nursery keeper, if their truck licences were not as high as they are at the present time. I would recommend to the hon. Minister of Transport (Mr. Rowntree) that he look into the legislation of the State of Michigan concerning the licence fee of these people for trucks which are used only at certain times of the year. The fee is 50 cents per hundredweight up to 2,500 pounds, then 80 cents per hundredweight over 2,500 pounds. I would like to read, especially for the attention of the hon. Minister of Transport, from the Act of the State of Michigan, under the section dealing with road tractors, trucks or truck tractors for farms. It states:

For each road tractor, truck or truck tractor owned by a farmer and used exclusively in connection with the farming operations of such farmer, or used for the transportation of the farmer and his family, and not used for hire, 50 cents per 100 pounds of weight thereof.

And for trailers or semi-trailers for farms for each trailer or semi-trailer owned by a farmer and used exclusively in connection

with the farming operations of such farmer, and not used for hire, up to 2,500 pounds 50 cents per 100 pounds and above 2,500 pounds 80 cents per 100 pounds.

Now here they consider the plight of the farmer who uses his truck for his business only at certain times of the year, without restricting him in using it for his own personal use the rest of the year. But in Ontario we do not consider this; we charge him a flat rate regardless of how he uses his truck. A dealer in the city may use his truck for a very great part of the 12 months and pay the same fee as a farmer who uses his vehicle only a fraction of the time that the city dealer does.

Again, I say, is this justice? I do hope the hon. Minister of Transport will consider this very seriously when and if he sees whether changes can be enacted.

Mr. Speaker, I want to say that I was quite interested in an article which I read recently in the magazine called *Industry*. This magazine is published by the Canadian Manufacturers' Association. The reason I am referring to it is because it coincides quite a bit with the discussion I had with one of my constituents. This person came to this country some 12 years ago from Italy. He recently made a trip to Italy and was amazed at the development that was taking place there. Everybody was working, making good wages, buying freely, and above all, everybody was very happy. He examined the reason for all of this and he found that the government, instead of finding new means of securing revenues and adding taxes, had actually reduced the taxes on several commodities, and this had quite an effect on the buying public. They were purchasing more and hence creating more employment. This article stated, and I quote:

In Canada, the percentage of the gross national product being taken in taxes by all governments is about 26 per cent—almost the same as in the United States. But since the gross national product per capita is about 40 per cent higher in the United States than Canada, this must mean that their tax rate in the States is relatively low, a possibility, perhaps, which most Americans would dismiss, or that ours is too high for the country's good. But is it realistic to urge a reduction in Canadian tax rate at a time when federal expenditures are running ahead of federal income by some several hundred million dollars, and provincial and municipal governments are all spending and seeking more than ever before? To argue that it is not, is to assume that lower taxes would necessarily mean less government revenues. Such an assumption ignores the impact on sales and employment of a worthwhile reduction.

A reduction in corporation taxes means an increase in the nation's productive capital. The raw material out of which new jobs are created. The more new jobs there are, the more people there are to pay taxes, and the fewer to collect unemployment insurance—and I may add, also fewer to collect welfare from the province and municipality. Similarly, a reduction in income taxes may be expected to result in increased con-

sumer spending, with more taxes being paid on the higher sales volume. Lower taxes have even been known to result in lower prices, and a corresponding reduction in government expenditures.

If this has worked in Italy, Mr. Speaker, I do not see why it could not work here in Ontario. Why not investigate? Surely if we want to strengthen our economy, we must look at all angles.

Mr. Speaker, I want to refer now to a question I asked of the hon. Minister of Education, the Prime Minister (Mr. Robarts), on November 29, 1961, and I would like to quote from *Hansard*:

In the *Windsor Star* issue of Friday, November 24, there is a story concerning the new secondary school programme announced earlier this year by the hon. Prime Minister.

Dr. Harry Pullen, deputy business administrator for the Ottawa Collegiate Institute Board told delegates to the Ontario conference on education who were meeting in the city of Windsor, that the new programme was "hastily conceived and prematurely announced," and that "those who had to live with the plan had nothing to do with its conception."

I have four questions to ask the hon. Prime Minister, who is also the Minister of Education: Were the superintendents, directors of education, headmasters or teachers' federation consulted before the adoption of the programme?

Secondly, if so, what groups were consulted?

Thirdly, what provision has The Department of Education made to staff these new technical training schools and fourthly, how many boards of education have made application to establish and increase their technical classes?

Mr. Speaker, I want to say that the response of the hon. Minister of Education was quite lengthy and he referred to meetings being held on June 2, to right up until the date of this question. The majority of the meetings were held after the announcement of the programme; this programme was announced in August.

Now at this time, I did not elaborate further on the question, because I knew that on that date, my hon. leader was going to make his reply on the Speech from the Throne. But I do want to say that many of the various meetings to which the hon. Minister referred were held long after the announcements of the changes that were to take place in the programme of the secondary schools. The announcement was made in August and again

I repeat that the people concerned—that is the secondary school teachers — were not consulted before the introduction of these changes in the programme. The meetings were held after the announcement of the changes. This again proves that this government does what it pleases when it pleases them, without regard to the electorate.

Mr. Speaker, the announcement made by the hon. Prime Minister (Mr. Robarts) the other day to abolish the use of liquor permits was rather amusing to me. For years, this government had been extracting a dollar annually for every individual who wanted to purchase liquor to consume in his own home. This was a licence he had to pay to drink at home. But to drink in a beverage room, a lounge, or a tavern, he did not have to buy a licence. Now, after years of insulting the public, they remove it. But in its place they are going to ask him to pay a few cents extra per bottle purchased. Do they believe that the public does not see through what they have in mind? They want to increase their revenue from the sale of liquor. They must make more. Therefore—

Hon. J. P. Robarts (Prime Minister): Cheapest liquor in Canada.

Mr. Belanger: Therefore, they hoodwink the public by telling them you no longer will have to pay for a liquor permit. However, they know perfectly well that the few extra cents per bottle will bring them certainly more than the \$1,300,000 loss in revenue from the sale of permits. It is a case of trying to fool the public by telling them: We are taking a nuisance away from you, but to take that nuisance away, you, the public, must pay for it.

And then again, in the next breath, they come up—and as they want to keep the people in suspense—they say they want to see how they will react to the lift of the permit purchase and then they say that there will be other changes during the course of this session. They could not come out with all their liquor changes at one time. Oh no! That would be giving the people of Ontario too much at one time. They must keep them on a string and dangle the string up and down and have the people of Ontario act like puppets.

They do not realize that in Ontario, there are hundreds of hotel owners who are contemplating changes in their establishment. "But they forget about you people. You pay the fee."

I say to this government, that the time is not far away when they will be through

fooling the public in this fashion. They must remember this. It is an old saying, and it is still true: "You can fool some of the people some of the time but you cannot fool all the people all of the time."

Mr. Speaker, I could go on with the announcement made by the hon. Prime Minister on Friday about the changes in housing, but I am going to leave that until later. They are saying that this is the greatest change that we have had in Ontario. And still, just a little way further down in the announcement they come along and say this is just a trial effort, that we are trying. No wonder we, in the Opposition, do wonder what status we have now reached. Surely it is time, Mr. Speaker, that this government take cognizance of its mistakes and do represent the people of Ontario, or else they should throw their arms up in the air and say, "We can no longer represent you."

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, this certainly looks like education day. We had the hon. member for Brant (Mr. Nixon), the hon. member for Windsor-Sandwich (Mr. Belanger) and now myself, three school teachers speaking one after another. Possibly it is a good thing for the House.

Mr. Speaker, in rising to take part in the debate on the Speech from the Throne, may I extend through you to the full-time and regular Speaker not only my compliments but also my thanks for the many courtesies that have been extended by him and his office to me during the past year. My congratulations go out to the new hon. Prime Minister (Mr. Robarts) and the new hon. members of his Cabinet. To the master political timer, the hon. member for Victoria (Mr. Frost) my best wishes for his continued good health. To the newly-elected hon. members of the House my best as they roll up their sleeves and get into action, serving the people of Ontario. To the people of Ontario the thanks of the Liberal Party for their kind consideration in returning members in the ridings of Brant and Kenora and for their considered intellectual decision in changing horses in midstream and adding to our ranks the hon. member for Renfrew South (Mr. Quilty).

Mr. Speaker, I would like to bring to the attention of this honourable House an event of great import to Canadians of Polish extraction, not only in Windsor and Essex County but also in Ontario, yes, even in Canada. This event took place in the city of Windsor recently. The opening ceremony in

preparation for the one thousandth anniversary of Christian Poland was celebrated with a solemn pontifical mass offered by His Excellency the Most Reverend John Christopher Cody, D.D., LL.D., Bishop of London, at Assumption Church.

If I may interject here, Mr. Speaker, Bishop Cody was honoured by Pope John only last week on the occasion of the 25th anniversary of his consecration as a bishop. Our congratulations and best wishes go out to him on this memorable event.

While we Canadians are preparing for the centennial of our confederation, the Canadians of Polish background are busy arranging for the celebration of the Polish millennium. I am sure that each and every hon. member of this House looks forward to the day when Poland, that western bulwark against all of the forces of communism, will once again regain its freedom and walk proudly on the side of the free world.

Mr. Speaker, I do not think that I need remind the hon. members of this House that February is St. John Ambulance month. The most Venerable Order of the Hospital of St. John of Jerusalem—St. John Ambulance—is that international organization that has done so much so well in the past in providing a specialized community service next to none, is that voluntary group ready to take its place in any emergency, military, civil or as a result of a prank of Mother Nature.

The circular black and silver badge with its eight-pointed cross, that is so commonplace today, is the hallmark of a skilled first-aider. I certainly hope that this, the month of their annual appeal for the necessary funds to finance for the whole year, are successful. We in the city of Windsor are most fortunate having a most capable secretary of the St. John Ambulance in the person of Mrs. Norman Jones, O.B.E., a really dedicated, altruistic, enthusiastic and civic-minded citizen.

Mr. Speaker, back in the year 1845, negroes from the southern states, hearing of the abolition of slavery under the British flag, fled their homes in the United States in search of this freedom. Windsor, the brotherhood city, a community of approximately 2,000 people at the time, was one of the places to which these unfortunates fled. On arriving on the southern shore of the Detroit river, those negroes wished to express their thanks to God and so in 1852 in my riding, a negro congregation under the spiritual leadership of the Reverend A. R. Green built a small frame church. The community prospered and a few years later a substantial church of bricks and mortar was constructed.

These free men and women carried water about one-quarter of a mile from the Detroit river to the site of their new construction. This was well over 100 years ago. Just recently the city expropriated the site and has levelled the area in order to construct a county court building. The present church, under the Reverend I. H. Edwards—this landmark, this religious home of former slaves—is no more. I would ask the hon. Minister of Travel and Publicity (Mr. Cathcart) to have the proper branch of his department consider the erection of a marker on the site of this church, the British Methodist Episcopal Church.

Mr. Speaker, I would like to make one comment on a subject that is brought up every year in this House. Normally I would hesitate to raise this, but since we have a new hon. Prime Minister and new thinking, I do so. I would ask him to settle the problem and confusion of daylight saving time once and for all.

Mr. Speaker, on November 8, 1961, I held an open meeting in my riding to which I invited one and all to offer suggestions. Here are some of the suggestions made by constituents:

Mr. Egidio Barei, a construction worker, suggested that government contracts have written into them that a person be allowed to work only 40 hours a week. He complained that there are people working up to 14 hours a day. His suggestion would enable unemployed construction workers to become employed. He also suggested the licensing of contractors.

Mr. James Hogan, president of local 240, suggested that turn signals and safety belts be made standard equipment—that is compulsory—by the automobile manufacturers. He also suggested action on unemployment and portable pensions.

Mr. Bill Bielecki suggested that the sales tax be removed on vitamin pills.

Mr. Emil Zarzecki suggested an immediate completion of Highway 401.

Mr. Oliver Stonehouse, a city of Windsor alderman, suggested:

1. Better legislation to deal with desertion of wives and families so that the deserted do not become a charge on the municipality.
2. Legislation to curb excessive rates of financing. The rate of interest to be charged to be specifically set out.
3. Bonus payments for mortgages to be outlawed, such as the signing of a \$5,000 mortgage and receiving only \$4,000.

4. Legislation to overcome the shopping-hour chaos which leads to certain suburban sprawls.

5. Standardized readers and textbooks so that two or three members of a family could make use of them, rather than have them quickly outdated.

Mr. Speaker, a housewife, who preferred to remain anonymous, suggested legislation to protect the public against the hazards and obstructions of modern packaging, such as concealing net contents, odd weights and measures, meaningless designations, misleading prices.

Mrs. John Smith suggested that legislation be passed banning crooked sales—going out of business, fire, liquidation, bankruptcy and removal sales. She does not refer to the legitimate sales but rather sales of goods which were never involved in any of the above, and are brought in by the back door.

Mr. Charles Burke suggested that as an inducement to keep students in school, and also as an aid to their future education, the family allowance be given to all children attending school regardless of their ages. He would put an age limit of 21 years.

These were some of the suggestions presented. These are not my ideas, but those of constituents of mine, who are interested enough to express their opinions at an open meeting. Other suggestions made will be taken care of by the people of Ontario at the next general election.

Mr. Speaker, two years ago I spoke at some length on physical fitness. Last year my remarks were very brief because I thought that this government had awakened from its lethargy and was going to do something about it. Today it is over one year since the report of the committee set up to study the problem was submitted to the hon. Minister of Health (Mr. Dymond), yet he keeps sitting on it. Why it takes a full year from the time of submission by a committee until the time of presentation by the hon. Minister, I cannot understand. However, in my few years as a member I must now conclude that such stalling is indeed typical.

The need for the programme still remains. Each year's delay in setting it up is an added year of delay of development of top Canadian athletes. It is an added year in the lowering of the prestige of Canada in the eyes of the nations of the world. May I remind this government that France has proposed a \$280 million five-year plan. All

we do is talk. The Speech from the Throne in 1960 said, and I quote:

A new physical fitness programme will be inaugurated. Our objective will be to co-ordinate efforts and to establish practices that are conducive to good health and physical fitness.

Two years later, and what do we have? A secluded report. Maybe this report has as its parallel the fluoridation report. If we do not get down to some real action soon Canada is likely to drop out of the bottom of the unofficial Olympic points standings. In the summer games at Rome in 1960 Canada managed only one second-place silver medal. This was won by the University of British Columbia eight-oared crew. This was the worst showing by a Canadian team in Olympic history.

In France a bill was introduced for a total outlay of \$280 million over the next five years with the state supplying a little more than one half of this money. Local governments and private groups will supply the remainder. This programme calls for 90 new stadiums, 210 swimming pools, more than 1,000 athletic fields, 933 gymnasiums, and a long list of other installations. This whole programme was brought about when sports writers and fans screamed about France's dismal showing in the 1960 Olympic games when the team won only two silver and two third place bronze medals.

The assembly committee on culture, family and social affairs gave unanimous support to this bill. Now, physical education and sports are obligatory parts of the programme of health, work, studies and military life.

Mr. Speaker, Mr. Jim Worrall of Toronto, president of the Canadian Olympic Association—and, if I am not mistaken, a member of the committee that studied the problem of physical fitness and that submitted their findings over one year ago—said, and I quote:

I am very impressed with the French government's report. We in Canada have no reason to be proud of, or even complacent about, our showing in international sports generally and in the Olympics in particular. Relatively we did not do as well as France in the games at Rome, but it is not the fault of our athletes. I think the emphasis must be on government support—not only federal but provincial and municipal as well—to provide facilities and trained leadership to improve the standards of physical fitness of the population as a whole, not merely to produce star athletes. Canadian youth has the potential but must be encouraged and developed.

This has become too big a job for the small army of volunteers who for years have been struggling to keep amateur sport alive. What is required now is government assistance to provide the necessary leadership for overall physical fitness.

I regret very much that the hon. Minister of Health (Mr. Dymond) is not in the House,

because my comment was: are you listening, Mr. Minister of Health? The fitness of our young and old is of vital import. The case has been diagnosed. Supply us the remedies, Mr. Minister.

Waiting to implement a programme is the same as waiting to operate on a patient who needs this type of medical treatment. Failure to begin a programme only adds to the cost of operating all the types of medical and hospital services. Let us get started with the job. Do it now. Fitness cannot wait.

Mr. Speaker, today is the kick-off day in the city of Windsor for the community Red Feather drive. This community Red Feather drive is promoted to obtain sufficient funds to operate the many charities supported by the fund. I am sure that each and every hon. member of this House joins with me in wishing that large group of volunteers success in their solicitations as they strive to reach their financial goal. To the citizens of Windsor: never was the need greater, nor the task more trying. Please give.

Mr. Speaker, I would like to speak on a topic that has been of major concern to my area for too long a period of time—unemployment. Its causes are as many as the people who discuss the topic. To each person unemployed, his reason is the most important. Let us look at a few.

(1) Automation on the farm with a steady declining farm population.

(2) Automation in manufacturing bringing on changes in the nature of work.

(3) Automation in office procedure.

(4) Lack of training affecting the young and the old.

(5) Foreign imports affecting local manufacturing.

(6) Shifting of trade blocs and markets.

All of these reasons are compounded by a seasonal surge of unemployed workers.

The unusual aspect of the unemployed picture is that of the skilled and semi-skilled. On page 105 of the January, 1962, issue of the *Labour Gazette* we see the ratio of unfilled vacancies to registration for employment by classes as being: professional and managerial workers, one unfilled vacancy for each two and one half persons registered; sales workers, one unfilled vacancy for each six people registered for unemployment; personal and domestic service workers, one for nine; unskilled, one for 25—with a total of 134,044 unemployed; skilled and semi-skilled, one for 30.

There are a greater number of requests for employment among the semi-skilled and the skilled than there are among the unskilled. These figures are as at November 30, 1961.

The overall picture for Canada as of January 1, 1962, is 22,268 unfilled vacancies for 615,388 persons registered for employment. From the previous figures hon. members can readily see that even though re-training is a very beneficial programme and does partially prepare an individual for another skill and should be encouraged and enlarged, it is not a complete answer nor is lack of training a basic cause of unemployment. The jobs are just not there any longer.

I believe that it is the responsibility of government in a democratic society to take the lead in introducing action for a solution. Unemployment without income is a soul-destroying, respect-corroding ulcer producing social cancer. For the short term I fully believe in the desirability and necessity of increased social security benefits and payments to those out of work. I feel that it is mandatory in our industrial urban society where food, shelter, clothing and health flow directly out of disposable income that persons capable of working, desirous of working but unable to work, must be provided with an income to maintain life and dignity without work. The issue today is not whether there is or is not unemployment, the issue is how best to take care of the unemployed and how best to return them to work so that the immediate needs of persons and family are satisfied and future employment is guaranteed.

Because the causes of unemployment are many and varied the provision of full employment will be complex and difficult. In the search for a solution, the government of a responsible democratic society has an increasing and unavoidable obligation to lead and labour and management have an ever present responsibility to co-operate with one another and with government in working out that solution.

The object of their joint search and their united efforts must be full, permanent, gainful employment for the whole work force. There can be no other policy, there can be no other goal, there can be no satisfaction with nothing less. The goal is to provide jobs, not power in either management or labour. Because with jobs we have a stable work force, a stable society, stable unions, stable companies, stable profits and stable businesses. Without jobs there is no business, no union, no wages, no profits, no management, no dividends.

On this common ground of finding jobs and providing steady income all the best efforts

of government, management and labour can find room for action. The task is not to assign blame for present unemployment to management, to labour, to government, to foreign competition, to changing patterns of production or to automation. The task is to recognize the challenge and stride forward for the credit of solving the problem.

In order to achieve full employment in Canada, we need more Canadians. An industrialized economy functions inefficiently supplying a small population. What Canada needs is more people, still more people and still more again. We need millions more people. We have the raw materials of an industrial society, we have the facilities to process them, we have the knowledge, we have the desire to produce and we do produce surpluses in everything from wheat, butter, and eggs to iron, nickel, aluminum, copper, paper and wood.

What we lack is people to consume our production. The best place to have our consumers and hence our markets is right here in Canada. We need an open-door immigration policy that will attract all the immigrants that we can draw to Canada, all the time.

We should not turn immigration on and off like a tap. We should seek out, invite, entice, encourage and assist immigrants to come to Canada. In the long run, Canadians will prosper more and our country will flourish best if we bring to this country enough people to consume our production.

Foreign trade is the frosting on the cake. It simply means that we are feeding, clothing, or housing someone in a foreign country with the certain products of our labours. Usually foreign trade is confined to the special products the foreign consumer wants at a given time and at a given price.

Domestic trade is unconfined. It supplies hon. members and their fellow citizens not only with one or two special items, but with everything from birth to death, including cradles and caskets. It does this year round, each year, every year without the complications of currency problems, foreign government interference or low wage rate competition or anything else.

For example, since 1945 Canada has accepted two million immigrants. The annual expenditures on servicing these people in Canada far surpasses the value of all of Canada's foreign trade. Canadian secondary industry today is producing, exclusive of our paper products, less than 15 per cent of the value of our exports. The mass market for Canada's secondary manufacturing industry

is the domestic market, not foreign markets, and the long-term solution for most of industry's problems is a larger Canadian population.

What else can be done? Well, there are many other things that can be done that could ease the long-term impact of unemployment. For example, more planning could be done on the kind and location of our industry. The mismatching of available skills and job openings could be compensated for by a broad approach to the education of our young people so that they will develop several skills that will give them maximum flexibility in a constantly shifting job picture. There can and should be more teachers and facilities for the training and re-training of unemployed and displaced workers. There is need to study the shift of population from farm to city life with a view to making that transition, if inevitable, at least as painless as possible. There is a great need to devise ways and means of reducing the impact of seasonable change on the work force so that tidal surges in and out of the labour force can be blunted.

There is a vast and urgent need to reform our economic, social and public facilities to care for the unemployed and to create ways and means of feeding the human needs of the unemployed workers and their dependents. I believe that government has a prime responsibility to lead in all these various approaches to the solution.

Mr. Speaker, allow me a few minutes to bring the Windsor situation into focus. It was about one year ago that we had a parade of hon. Ministers attempting to duplicate a New York television give-away programme by offering everything to Elliot Lake. I attempted to bring to the attention of this House the fact that Windsor has had a hard core of unemployed that needed attention, yet nothing was done. The total registered for unemployed was over ten thousand. As of November 30, 1961, it was 8,793, a figure surpassed only by Toronto and Hamilton.

Using 1949 figures as 100, the employment index in Windsor as of September, 1961, is 74.2, or the lowest of any of Canada's urban centres. Toronto's is 134.6; Hamilton's is 110.2. Surely when a centre is confronted with as serious a problem as this, that centre deserves special consideration on the part of the government in an attempt to relieve the situation. Surely projects such as a mental hospital, provincial buildings, should have been constructed there and areas where the unemployment

index was very satisfactory could have waited for their projects. Surely such a situation should have commanded considered attention and action on the part of this government.

Highways are often said to be the arteries of a community. The completion of 401 could have, and more than likely would have, assisted to partially relieve this grim unemployment picture. Let us connect Windsor with Ontario by completing Highway 401.

Mr. Speaker, on checking with the unemployment insurance commission, I was told that over 500 unemployed had been transferred out of the city, and only 47 newcomers entered. These figures do not exclude the many who have left voluntarily without notification, just drifted away in hopes of finding employment in another area.

Of the hard core of idle, none want to remain as such, but all are anxious to be doing their share in the advancement of the economy of Windsor, of Ontario and of Canada. Many of these are new citizens and newcomers to our shores. It makes them think as to other ways of life. In some of them rages an internal civil war, democracy versus communism. We are being challenged from without by another way of life. We are being challenged daily by the unemployed, whose minds are ripe for other ideologies.

Mr. Speaker, to illustrate conditions may I state that Windsor's welfare department paid out \$174,000 during January of this year to 5,497 persons, as compared with \$125,000 to 4,160 persons, one year ago, that is in 1961. That is a 32 per cent increase in the numbers receiving welfare in one year. The January payments continue this trend to higher welfare costs, which have been going on for the past two years, and which saw \$1,800,000 paid out in 1961 as compared to \$1,200,000 in 1960, an overall rise for one year of 50 per cent.

Last year, high relief costs were the biggest single factor behind the city's deficit. The total Windsor area industrial employment has progressively shown decrease. In November, 1960, 393 industrial firms reported 27,932 employees. By December, one month later, it was 27,242, a decrease of 290. By January, 1961, it was down to 26,908, a further decrease in one month of 334. As of January, 1962, it is at 26,256, a further decrease of 652 people. Such retrogression must be halted.

In volume 8, No. 7, September 1961 issue

of *Ontario Planning*, on page 8, we have the Windsor area story presented very well. Comparing population tables of 1956 with 1961, that is a five-year period, the percentage increase in Windsor was 2.9, representing statistically an increase of from 185,865 people to 191,237. The average growth for the seven largest cities in the province was 17.7 per cent. Windsor, the fourth largest metro area, has the smallest growth factor, 2.9 per cent; one so small that inside of five years it will be surpassed by both London and Kitchener.

It is said by some:

One of the reasons why unemployment is so high at Windsor is that industries formerly located there have been moving away. Why are they moving away? Because they did not feel at home in Windsor. They did not feel that Windsor wanted them to operate peacefully, successfully, profitably.

The above several sentences are a quotation from an editorial in one of the local Toronto papers on February 16, 1961. This is just plain tommy rot. That is saying that municipalities in which there is unemployment deserve to have unemployment. Windsor has bent over backwards in its attempts to induce industry, to promote existing industry and to develop new industry.

The industrial climate since 1956, since the time Windsor's population growth was the lowest, has been excellent and I doubt if it could be much improved. There is always room for improvement, but very few centres in Ontario have gone to the extent that Windsor has in even sending a delegation to the Continent in search of business. Mr. Peter Hedgewick of the International Tools Limited—a Windsor area concern—just returned from Germany where he was successful in under-bidding western German firms on a die contract. This is but one of the examples showing the extent of Windsor's employment seeking activities.

The failure to implement the Bladen Report, the failure of the government to encourage secondary industry, hurts them.

Mr. Speaker, the Canadian content of the product of a particular manufacturer, for example, automobiles, is set by federal law. The method of computing and auditing this content is extremely complex. However, I would suggest that instead of physical content, the government study the possibility of using labour content, or man hours, as a scale. A large part of a vehicle may be 10 per cent of the vehicle by content, but the

labour involved in its manufacture may be only one per cent of the total man hours expended in its manufacture. I realize that this is a federal matter, but possibly this same labour content or man hours principle may be used in other imports, manufacturing processes and trade dealings with countries, all to the benefit of our people. Were such a scheme given serious study, there is the possibility that much of the unemployment in my city would be eliminated.

Mr. Frank S. Capon, of Dupont of Canada Limited, told a Toronto group recently that in Canada there is a refusal to face economic facts. Technical knowledge, he said, now is sufficient to enable Canada to produce most of what it needs by machines. The ultimate mechanization of all means of production can be foreseen, he said. Failure to face facts and to solve problems can only lead ultimately to a breakdown of Canada as we know it. The remark that is most startling of all in his address is that the country's unemployment may reach 25 per cent of the work force within five years.

All of this leads one to conclude that there is not enough work available to gainfully employ every one for 40 hours per week. Is it not then logical that a committee be set up to study the effects of automation and a shorter work week, plus other things?

Mr. Speaker, I would like to read the editorial from the February, 1962, issue of *Parks and Recreation*.

It is entitled:

THE SHORTER WORK WEEK
—A DEFINITE POSSIBILITY

In this New Year the American public was shocked at the New York Electrical Union's demands. The union pushed for a 20 hour week for the same pay clause. This is a rather unusual case since the union in former contracts had already had electrical workers' time reduced to a 30 hour week. Actually they have been working a six hour day. The demands for a 20 hour week were not met, but they did succeed in obtaining a five hour day or, a 25 hour week.

A great amount of publicity has come about as a result of these demands. The working public was interviewed and it was found that they do not agree with such a drastic time reduction. The interviews brought out two reactions to the publicity. First, some of the groups interviewed felt that there was something basically dishonest in putting in so little time. A typical attitude was, "I work more, my father be-

fore me worked more, why cannot these people work the same amount of time? Working so few hours we will get nothing done." The second reaction was "Why should they receive more than I? Why should this group be especially privileged? Privileges of this sort should cover all, not just a small part of the labour market."

The public reaction did not cover the points expounded by unions as the reasoning behind a shorter work week. The union felt that automation had pre-empted jobs, thus creating a surplus of labour. They reasoned further that an economic work load balance would be created by a shorter work week, in that short hours would necessitate more people entering the work market and thereby lessening the labour surplus. The profit margin would be lowered but any increased cost that might be entailed could be passed on to the consumer.

The main point, however, is that the shorter work week has made inroads on public thought and the development of this area in other industries is a definite possibility.

It is believed practical as a way of putting those on relief back to work. The move is rapidly picking up steam and we can look for increases in the shorter work week in other areas of business since New York has brought to the fore drastic changes in the thinking of the public, the unions and industry. Since industry in a large way affects governmental policy towards its workers, the shorter work week is part of the future.

Mr. Speaker, conservation, school drop-outs, untrained youth have always been of great concern. It is about time something concrete was done. The time is opportune to set up pilot training and employment programmes for youth including on-the-job and other appropriate training, local public service programmes and conservation programmes. We should:

1. develop methods of promoting the most effective utilization of the production potential of the untrained and inexperienced youth;

2. provide useful work experience and training opportunities for a limited number of youths through the use of pilot programmes authorizing projects for on-the-job and other appropriate training, local public service employment, and camps to conserve and develop our natural resources;

3. determine the effectiveness of these different types of programmes for the training

and useful employment of youth to meet current and future technological requirements of an expanding labour market; and thereby,

4. provide Ontario with tested and proven training and work experience programmes for school drop-outs and other youths who will be seeking work in increasing numbers during this decade. Let us study the feasibility of an Ontario Youth Conservation Corps.

Mr. Speaker, it was my intention to speak at some length on education and the present re-training programme, but rather than burden the honourable House and hon. members of this House any longer, I will simply ask that the hon. Prime Minister (Mr. Robarts) relinquish his education portfolio so that the most important department of this government can have a full-time Minister at its head.

In conclusion, Mr. Speaker, may I say that the citizens of Windsor are appreciative of all that has been done for them but today's situation is unique and merits consideration. Institutional employment is stable employment. For example, Assumption University is today Windsor's seventh largest industry. Were some of the projects that are being established in this area, to be set up in the Windsor area the picture would be much brighter. Windsor has had difficult times in the past and has always come through and will do so again. Thank you.

Mr. J. P. Spence (Kent East): Mr. Speaker, in rising to take part in this Throne debate I first wish to congratulate you on the way you are carrying out your duties as Speaker of this Assembly. I might say that I have watched from this seat the very important decisions which you have been called on to make since this session started. I might say that you indicated to me that you are fair and impartial, and to you, Mr. Speaker, I would wish you well in this honourable position which you hold.

Mr. Speaker, since the last session many changes have taken place in this honourable Assembly. The passing of three hon. members—hon. members who made marks in this House, hon. members who took a very active part in the debates of this Legislature—and I might say, Mr. Speaker, their passing was certainly a shock to all of us.

I do want to congratulate the hon. Prime Minister (Mr. Robarts) on being elected to that honourable position, a position which very few in this province ever reach. I might say that his position is no easy one either, following the footsteps of his predecessor—a

man who had a vast wealth of knowledge, a man who was well versed in history—and, I might say, Mr. Speaker, he will, I know, try to fulfil his position.

I do also wish to congratulate the three newly elected members who were seated in this House last Tuesday. I might say that these hon. members are all young men. After getting acquainted with them, Mr. Speaker, it looks to me that there is a great future for them in political life, and I wish them well and a long political career.

I would also like, Mr. Speaker, to say how it must have pleased the hon. leader of the Opposition (Mr. Wintermeyer) when he looked over the votes that were cast in those five by-elections that 45 per cent of the voters who voted, voted for the Liberal party; and will continue to.

An hon. member: Thank you.

Mr. Spence: Now, Mr. Speaker, in this Throne debate I would be remiss if I did not say something about agriculture. Being in agriculture all my life I am still greatly interested in the conditions of agriculture in this province. I know we have a new hon. Minister of Agriculture (Mr. Stewart). I know that it may take some while before he gets in full swing but he has a very important position to fill. I might say in this province the hon. member, I believe, Mr. Speaker, the other day the hon. member for Grey South (Mr. Oliver) brought to the attention of the Legislature that the farmers in the province of Ontario were facing a serious situation. The big processor entering into the field of production was causing a grave concern to us who are engaged in agriculture.

I might say, Mr. Speaker, over the last number of years—I believe in the year 1959, the hon. Minister of Agriculture set up a study group to go to Europe and look into the possibility of markets there for some of our agricultural products, and on the report, after they returned, Mr. Speaker, it was very encouraging to read that there was a possibility of markets in Europe and in England for some of our agriculture products. Now, before this session closes I hope the hon. Minister of Agriculture will try to report what results that study group's visit to Europe achieved and give us something here in the Legislature.

Today it is markets that are bothering us. Marketing has been a problem with us who are engaged in agriculture for a considerable number of years. From time to time we have been told about efficiency, Mr. Speaker, and

we have increased production in this province. We doubled our production; but every time we doubled our production, Mr. Speaker, we received about the same amount of money. The agricultural industry is faced with high costs of operation, and I might say if something is not done for agriculture in this province—something done immediately—that a good many farmers are going to disappear in the future.

I believe that in this inquiry committee's report, which I read very closely, we see very disturbing notes—warnings to those engaged in agriculture—that in the past few years about 38,000 farmers went out of the industry of agriculture. They predict in this report that in the next two decades there will be another 26,000 go.

Now, Mr. Speaker, we are in the cost-plus squeeze, a tendency to the larger farms in the province, and I for one think that something should be done to preserve the family farm. The new Canadians who came to this country a number of years ago, came with great expectation and hopes that if they came to Canada, they would own and operate their own farm some day. Now that has happened in the past, but that is fading away. In the future those who will immigrate to Canada—if there is any immigration, I might say, Mr. Speaker—the hope is disappearing that they will be able to own and operate their own farm. I think it is a bad thing when the little family farm disappears, and I think this government should take every action that is possible to do something and make every effort that the family farm will be preserved in this province.

After reading through that report I looked through different newspapers and I find our sister province, the province of Quebec, going to do something for the family farm in the province of Quebec. But, Mr. Speaker, they have a Liberal government in that province and I must say that a Liberal government always takes action as soon as a thing exists.

An hon. member: After a little bit.

Mr. Spence: Now, Mr. Speaker, I hope that the hon. Minister of Agriculture—I was interested the other day when he announced that something was going to be done in the way of marketing—I hope the step that he has taken will assist the farmers. Last year I had an opportunity to visit the United States and I might say I noticed the agriculture industry in that country seems to be thriving and receiving a fair share of the economy. Also we read that in Great Britain

the British government is doing something for agriculture, and agriculture seems to be on a firm footing in that country. Now I hope that something can be done to preserve the family farm in the province of Ontario.

Now I am going to say here, on September 1 the three per cent sales tax came into force and that placed a very heavy burden on the small business people of the province of Ontario. The people who were least able to afford this burden—as we know, many have not been able to afford one of these high-priced cash registers, and in many small places where I have called they are using a scribbler to keep track of the articles sold and the taxes collected to be sent here to the government.

Now this is a hardship and I might say as I did in my last speech in this Legislature, I said that we should have some efficiency in government. This afternoon I am going to try to point out one of these things to the hon. Prime Minister and his government, and that is that the grant system of our public and district high schools certainly needs some overhauling.

We had in my part of Ontario a year or two ago a school section which wanted to enlarge their public school. I might say after they discussed what grants would be available from The Department of Education, they found out that it was better—instead of adding another room on the public school—it was better for them to build an entirely new school, because they would get a lot larger grant. Now today, I might say in that school section there is a new school built and the old school is used for a community hall.

Now I have here, in the *News Tribune*, dated in September, a high school district which had to add more rooms to take care of the increased enrolment of the pupils in that district. I might say the school board architect prepared plans, proposals for what was needed to take care of increased enrolment, but I might say here, Mr. Speaker, these plans had tentative approval by The Department of Education of the province of Ontario. Now I would like to try to outline to this Legislature that the grant system certainly needs adjusting and certainly needs going into when there is too heavy a burden on the taxpayers of the province of Ontario. I think something can be done here at a time when school taxes are felt by all those who are property owners and people of the province of Ontario.

I would like to say that I am for the best education possible for every boy and girl in

this province. I want that clearly understood. I am for new schools if it does not create a burden on the taxpayers, Mr. Speaker, and today I am trying to outline to you the situation that exists in the grant system towards building new schools here in the province of Ontario.

The architect met the school board and he said that there was a proposal to enlarge this school; you could add on eight rooms, repair a number of rooms that were built in 1923 and 1929, and the plan would be approved by the fire marshal of the province of Ontario, the health unit and would be satisfactory to The Department of Education. I might say the suggestion is, with all the improvements on the old portion of the school, that the cost would be \$407,000 in round figures. But, he said, the grant on this from the Ontario government would amount to \$178,000, leaving a total share for the district high school area of \$229,000.

Then he says we have another plan, the second proposal, he said you could build 17 rooms on the district high school but he said you would have to tear down eight of the old rooms, rooms that were added in 1923 and 1929, which would mean building a total of 17 rooms at a total cost—with furnishings and everything—of \$513,000. Now if you built a new school, the grant that would be possible from the federal Department of Education would be around \$301,000, where in the first proposal the grant would be \$178,000, by improving the rooms that were built in 1923 and 1929. Leaving a total for the school area of \$211,000.

I might say, Mr. Speaker, and I believe around December 14, if I remember correctly, in this House the hon. Prime Minister (Mr. Robarts) announced here that in the year 1960, 101 new schools or additions to existing schools were completed at a cost of \$100 million. This means two new schools for every working day in the year. Now, Mr. Speaker, if this grant system works the same across the province—as it does in these two proposals that the architect outlined to the school board in this district—I think it is a waste and I believe that we should have some efficiency—

Hon. J. P. Robarts (Prime Minister): Would the hon. member permit a question? Could I ask the names of these school sections so that I may check what the hon. member is talking about?

Mr. Spence: Blenheim District High School. I could send to the hon. Prime Minister, Mr. Speaker, the paper I have quoted these figures from.

This is a serious matter to the taxpayers of the province of Ontario, Mr. Speaker. At the present time when the cost of education is so great, I think the government, and the hon. Prime Minister, should look into these things and see that there is no inefficiency in school grants. If these rooms that were built in 1923 and 1929, if they cannot be repaired and improved and save the province a little money, when the burden of the school tax is so great on the taxpayers.

I would say, Mr. Speaker, that maybe if we had a little efficiency here we could do away with this sales tax. Or accept the plan which the hon. leader of the Opposition (Mr. Wintermeyer) outlined. He introduced a bill here a short time ago, an exemption of tax on all articles below \$25, except beer, liquor, and tobacco and so forth. This would be a great relief to the taxpayers who are practically paying all the taxes they can stand at the present time.

Now, Mr. Speaker, I might say that I would like to bring to the attention of the Ontario water resources commission, in regards to the sewage disposal systems in our towns and villages of the province of Ontario. I would like to say it seems to be among the property owners that there is a feeling among them that the cost involved—the Act should give the property owners the right to say whether the town undertakes to instal a sewage system and water mains. I understand at the present time the council makes that decision with the approval of the municipal board. And I might say, Mr. Speaker, a number of the taxpayers in these towns and villages are quite concerned because there are very few industries there or very few industries locating in their towns to help to lighten the tax load of the property owners.

I understand the system is that the community is paying back \$2 to \$3 interest for every dollar the sewerage systems cost. I feel that with towns of less than 5,000 people, it would be practically impossible to handle this because the ratio of expenses to the assessment will raise the taxes too high. Generally speaking, I would suggest that the Ontario water resources commission re-appraise their thinking on communities of less than 5,000 people. I also feel, Mr. Speaker, that sewage systems in our towns would rank second to a proper water distribution system.

I would also ask, Mr. Speaker, what is being done to encourage industry to come into our towns and villages? This would greatly lighten the burden of the taxpayers. I

certainly wish to say it is of prime importance to this government that industry should be encouraged to build or to settle or establish in these towns and villages.

I would like to say here, too, that I asked a question of the hon. Minister of Highways (Mr. Goodfellow) on December 7 in regard to an article in the *London Free Press*, an announcement by the deputy Minister in regard to the portion of Highway 401 from Tempo to Tilbury, which was going to be made a two lane highway. In the article it said that the traffic would not warrant a four-lane highway in this area until 1968. I was pleased with the announcement of the hon. Minister that he was going to make every effort to complete the other two lanes in the year 1964. We in that area will be looking forward to a complete opening of 401 right through to the city of Toronto.

I would like to also add here I am very pleased with the fine job the Western Ontario Agricultural School is doing in our part of the province. A large number of young farmers are making use of the fine course that is being taught in that school. I might say also I was pleased to learn that 80 per cent of those who have attended in the past at that school returned to the farm. I believe these schools tend to improve and help and assist those who are returning back to the industry of agriculture. We are very proud, Mr. Speaker, to say what a fine job they are doing.

There are many other things I might say. I hope I will take part in the budget debate. With those few remarks, I thank you, Mr. Speaker.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, in making my small contribution to this Throne debate, I would first offer my best wishes to you, sir, and wish you good health for the coming year. I am sure, sir, that you will continue to show the same impartial attitude in conducting the business of this House as you have in the past.

I would also, sir, at this time congratulate the new hon. members elected in the five by-elections that took place in January. I am sure that they will make a contribution to the political life of this province. It seems too bad, Mr. Speaker, that such intelligent young men should become lodged in the sea of frustration of the Conservatives and in particular the Liberal party, when across this province there are thousands and thousands of young, serious-thinking people now finding their rightful place in the New Democratic Party.

An hon. member: What about Argue?

Mr. T. D. Thomas (Oshawa): We were glad to get rid of him.

Mr. D. C. MacDonald (York South): They have not absorbed him yet.

Mr. Gisborn: Mr. Speaker, in the past seven years in the House, and before I became a member, the CCF party presented to this House and to the people of the province of Ontario a reasonable and logical programme, one that the province needs and one that the people deserve. It seems that we have been talking to a stone wall for so long that it might be considered useless to try to convince the government of the day that they are still on the wrong side. But I assure hon. members that our efforts will increase with vigour in the coming year to the point where we will not have to ask or beg, we will implement the programme that is desirable.

Mr. Speaker, it seems about the only thing that has come out of this session so far is the government's decision to establish what is called the Ontario Economic Council. We need this council, Mr. Speaker, about as badly as we need more members on the opposite side. But the establishment of such a council, Mr. Speaker, is a frank admission by the government that it is now time for some real economic long-term planning. However, even this council will not solve the problems which face us today.

As has been pointed out, this is an "advisory council," not a "fact-finding" or an "action" council. It seems that whenever the government finds itself in a spot it sets up still another advisory council. Then when they do their work, gather the material necessary, the results are shelved once more and their efforts have been of no avail.

What we need now, Mr. Speaker, is some immediate action to deal with the present economic crisis, the problem of creating some 60,000 more jobs in the coming year for the new people going into the labour force. This is going to require some real government planning, both on a short term and the long term basis. It is all right, to say, Mr. Speaker, that we have 113,000 unemployed, chronic unemployed. I would think that 60 per cent of that group are never going to find their place again in the labour force in this province. The jobs they can do are not there, they are considered too old. They are considered not of the educational grade to do the work available.

Then we find we have to create a large

number of jobs for the newcomers. We do not know whether they have the proper qualifications to do the type of work that is going to be available.

But there is another serious problem that has been overlooked in the past four years, Mr. Speaker. That is the problem of the hundreds of thousands of unorganized workers in this province who are working for sub-standard wages, in poor conditions and for long hours.

The main point is their substandard wages. They are just not able to contribute to the purchasing power of this province. They are not able to buy the things that we produce in this province. They are not able to buy the things that are produced by the heavy basic industry. This problem is a responsibility of both labour and management. Certainly, where we find the well organized basic plant, we find a healthy industry.

I am pleased to be able to say that the Steel Company of Canada since 1958 has adopted some of the recommendations at the pleading of the local union and the international union inasmuch as they have held the line on their prices since that time. This has got to be done by more of the wealthy industries across this province. Either hold their prices at a stable level, or reduce them so that their customers in the fabricating and the secondary industries can give better wages to the employees in those groups.

What we need, Mr. Speaker, is some action. A vastly expanded public works programme to be undertaken immediately is one of the short-term priority projects. We need more hospitals, more schools, more parks and more recreational facilities. I know that this has been said many times by so many people, but it seems that we just do not recognize the need or do not care.

I visited a friend three weeks ago in the Hamilton General Hospital. His bed was shoved back in a corner so tightly that two persons could hardly get near him to make a visit. The congestion was something disgraceful. I hope that we take a real look at the need for the building of more hospitals.

If we do not treble these then the problems we are going to be faced with in the future will overwhelm us.

I would suggest, Mr. Speaker, that there are things that this government could do immediately, not just to set the basis for some economic improvement in the province, but to come up to date with the times. That is to revise their labour legislation—their welfare legislation—at least in line with the many

other provinces across this country and make some effort to reach the tremendous social welfare legislation they have in the European countries.

We could immediately, Mr. Speaker, establish a minimum wage of \$1.25 an hour for both men and women. This would go a long way towards increasing the purchasing power of our people. At \$1.25 an hour, Mr. Speaker—if they worked a 40 hour week—their take-home pay would be \$50; or if they worked 48 hours, the legal maximum, they would get \$60, a total of \$3,120 a year.

That is just under half our indemnity as members in this House for the few months that we have to serve. I am sure the hon. members will agree that this is not exorbitant.

We should establish immediately in this province, Mr. Speaker, a legal maximum of an eight-hour day and a 40-hour week. There is no justifiable excuse to continue on in the medieval thinking that we are carrying on at the present time. This should be without reduction in take-home pay and with not less than time and a half for unavoidable overtime.

Certainly another contribution could be made, Mr. Speaker, by an increase in vacations with pay. Thousands of our people who are working in the sub-standard industries are getting no more than one week. I have explained before what it would mean, if a million of the workers in this province were given extended vacations; have explained what it would mean to steady jobs for the unemployed.

The government should simplify the certification procedures in The Labour Relations Act to give genuine encouragement to the unorganized to get into a union of their choice so that they can help themselves and raise their standards of living.

I would say, Mr. Speaker, that these measures are a prerequisite to sound economic planning and a must for the 1960's. Let us see this government take a forward step at this time.

Now, Mr. Speaker, I would like to deal with the Royal York strike for a moment. This strike has been going on now for almost a year. I do not know the exact number of people involved but I believe it is between 430 and 485.

I do not think that anyone can deny that their strike is justified. Their conditions were inadequate; their conditions were those that hon. members would not find in any other industry.

They had done a brilliant job in maintaining the picket line without violence or

trouble and I hope that they continue to do so until they feel they have reached what they consider an honourable settlement. I think they deserve the support of all hon. members of this House; the public; and the people of Toronto in particular.

Many strikes take place, Mr. Speaker. Some are won with emphasis on different provisions. Sometimes a long strike take place for union recognition; sometimes for a better health and welfare programme; sometimes it is specifically for higher wages. But they are all settled at one time or the other.

I will admit, Mr. Speaker, that there have been strikes that the unions have considered they have lost, but in all cases, as far as I am concerned, they have admitted their loss and they have gone back to work, with at least their union intact and with a feeling that they still have their souls.

The hon. Minister of Labour (Mr. Warrender), or I might at this time say the minister of anti-labour, as he is rapidly becoming known, really fluffed his first assignment. As we adjourned for the Christmas holidays, we had an assurance from the hon. Minister that he had evolved a secret plan that would settle the Royal York strike. It was very secret; so secret that it took six weeks to reach the light of day. When the hon. Minister finally revealed this plan, it turned out to be nothing more than a warmed-over version of management's proposals. The hon. Minister was indignant when the strikers, not unreasonably, turned it down.

I am wondering whether the hon. Minister now wishes that his secret plan had not remained secret for all time. It certainly did not accomplish anything, except to have organized labour wonder whether they are now dealing with a minister of management, instead of an hon. Minister of Labour.

Mr. Speaker, the incompetence and the inexperience of the hon. Minister in his bungling of that attempt was very disturbing to the workers in that hotel. I have often, in this House, criticized the previous hon. Minister of Labour (Mr. Daley) for his lack of initiative and for his lack of taking part and trying to put some drive into settling serious strikes. But I could never accuse him of being partial and indignant, or at any time of using coercion to obtain a settlement. If he could not settle it, if he could not do anything about it, he left it alone.

Now, Mr. Speaker, the hon. Minister of Labour in talking to the television and the press to express his indignation over the alleged failure by the union negotiators to

keep an agreement they supposedly made with the hon. Minister of Labour, in my opinion, became nothing less than an agent of the C.P.R. management.

Mr. K. Bryden (Woodbine): What else was he? He just put forward the C.P.R. proposal.

Mr. Gisborn: I was not too surprised, Mr. Speaker, because the hon. Minister of Labour has held several portfolios in this House and in my opinion he failed in all of them. Planning and Development, Hydro, Municipal Affairs and now as the hon. Minister of Labour. Certainly he will go down as the agent of management in this particular affair.

Mr. Thomas: He will be rewarded though, later on.

Mr. Gisborn: His efforts and his actions in this situation made him appear to me like the lackey who had acquired a tremendous appetite for the flavour of bootblack. I hope, Mr. Speaker, that the leaders of this government will make sure that we have no more of this partial, blatant coercion on behalf of agents of the government.

Now, Mr. Speaker, I would like through you, sir, to have a word with my charming friend, the hon. Minister of Energy Resources (Mr. Macaulay).

An hon. member: When did he get charming?

Mr. Gisborn: Well, I am sure he made a charming speech to his fairy godchild captive audience of 30—it did not say how many—but I am sure he made a very charming speech to them. I noted in his comments that he took the opportunity in an insidious way to draw an analogy between the Communist Party and the New Democratic Party. If he calls this mass communistic psychology, I wonder what those 30 young godchild Progressive Conservatives thought of the malarkey he poured out to them last night.

But the main point of his speech, Mr. Speaker, was this: A news story in last Friday's Toronto *Daily Star*, February 23, was headed: "Labour Destroying Self by N.D.P. Link—Macaulay." I would suggest, Mr. Speaker, tomorrow's news story should read: Macaulay in Wishful Daydream—Gisborn". Because I want to assure the hon. Minister that the trade union movement is going to continue to take political action, basically because they are convinced that it is the policy and the lack of planning of the government to which the hon. Minister belongs, that are responsible for them being deprived of

a job, deprived of a decent standard of living and deprived of the human dignity that they so rightfully deserve.

This concern about organized labour does him credit, though I would like to see him display the same kind of concern for big business involvement in politics. But perhaps the hon. Minister's concern would not be quite so great if organized labour had decided—and here I must ask the hon. members to really stretch their imagination—if they had decided to become involved with the Tory party. I can assure the hon. Minister that the trade union movement will continue its support and become part of the New Democratic Party, not because of any narrow, selfish interest on their part but because they feel that as New Democrats they can join with the farmers, the professionals, housewives, in fact all the people of Canada, to work out a programme that will benefit all the people.

Mr. Bryden: Who took the picture of the hon. Minister at that meeting?

Mr. Gisborn: Mr. Speaker, maybe at this point while we are dealing with labour's support of the New Democratic Party, I should say something about the policy of the Liberal party in regards to labour. Certainly they have been doing, or attempting to do, a lot of wooing of the trade union groups. I was sure they would like to hear of the three Liberals from Local 1005, out of a membership of 8,000 who expressed some concern about the method of our joining the New Democratic Party. After having three weeks notice that the meeting would take place, there was no one there to speak on behalf of the Liberal party, so we cancelled the meeting and held it a week later. At that meeting they did have a spokesman. But strangely enough, his argument was that we should not join with the New Democratic Party and support the Liberals, he just said we should not talk about politics in a union hall.

For the benefit of the House I would say, Mr. Speaker, that our local union, with over 8,000 members, is proud to affiliate with the New Democratic Party. We will use our influence in the trade union movements across this province and across Canada to tell them why. And for the information of some of those who are so concerned about our contracting-out provisions, we have 38 members out of over 8,000 contracted out. I do not even know who they are myself, contrary to the remarks of some of those insidious thinking people who say we have a black book

and we put their names down and then really kick them about after.

Let me take the opportunity, Mr. Speaker, at this time to warn the trade union movement about the Liberal policy in regard to this. In general, it is not necessary. They know that in the federal House they held office for some 22 years and did absolutely nothing towards helping the programme for the trade union movement. They have not forgotten, Mr. Speaker, the hon. Mitchell Hepburn's famous hussars and his famous statements in 1937 that he would drive the C.I.O. out of Canada. Some of this thinking still sticks with the Liberal party.

The hon. member across the way, Mr. Speaker, says that is ancient. Does he consider the dictatorial actions of Joey Smallwood ancient? When this happened the Liberal party in the province of Ontario and across this country sat on their hands. They might, in passing, have said they did not agree with him. But had they disagreed with it in the manner it deserved, they would have risen with strong indignation and condemned Joey Smallwood for his dictatorial actions.

Also, when the B.C. Social Credit government brought in their infamous legislation to bar the trade union movement from participating in politics financially, they accepted it with some glee. No one will kid me that they took any other position on it.

But we have also—

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, on a point of privilege. The hon. member is stating inaccurate remarks in connection with the B.C. Liberal party. I would suggest that he read some of the programme that they have.

Mr. Gisborn: I did not mention, Mr. Speaker, the B.C. Liberal party at all. I am talking about the Ontario Liberal party.

Mr. V. M. Singer (York Centre): Oh, so we are responsible for the legislation of British Columbia.

Mr. Gisborn: I did not say hon. members were responsible for it, but I say, and I still maintain, that hon. members accepted the plea, they sat on their hands.

An hon. member: That is what they did.

Mr. Gisborn: If they did not, I would like to hear one of their labour spokesmen tell us their position on the B.C. legislation.

We do not have to go outside of the House, Mr. Speaker, to get some idea of the Liberal

party's approach to labour's movements in this province—

An hon. member: We will never get another labour vote after this.

Mr. Gisborn: We had the now deceased member for Kenora (Mr. Wren) whom I always admired for his forthright position on the problems of the northland and his particular riding. He expounded some philosophy on behalf of the Liberal party when he said we should get away from international trade unionism and get into national trade unionism. He echoed, at that time, the precise thinking of the Canadian Manufacturers' Association and the propaganda they were pouring out across this country.

We have the hon. member for Essex North (Mr. Reaume) in this Throne debate taking on the hon. member for Woodbine (Mr. Bryden) about his legislation, his bill to expose campaign contributions, and he said:

Put, also put in your legislation—I would recommend that you put in your legislation that the trade union locals have a secret ballot to decide whether they would join the New Democratic Party or not.

This is an indication of what the Liberals would do—legislate the internal problems of the trade union movement every chance they get.

Mr. Singer: Is the hon. member opposed to secret ballot?

Mr. Bryden: We are opposed to hon. members trying to interfere with their affairs.

Mr. J. J. Wintermeyer (Leader of the Opposition): But it is all right for the hon. member to interfere.

Mr. Bryden: We would not interfere at all. It is their own decision concerning their own constitutions.

Mr. Gisborn: That is right, I am talking about interference with their internal problems and their internal rights, not their public responsibilities.

Another indication, Mr. Speaker, that I must mention of the Liberal Party's attitude towards labour took place in Simcoe when a large group of lawyers, I believe the paper stated, voted with the majority to have court action in regard to compensation cases. Certainly if there ever was a move to really upset one of the finest pieces of legislation and provide a bonanza for an up and com-

ing young group of Liberal lawyers, this is it.

An hon. member: Has the hon. member talked to him, does he know what his name is?

Mr. Gisborn: These, Mr. Speaker, are some of the indications and the attitudes expressed by the Liberal Party in regard to the labour movement in this country.

Now for something on a lighter side. I was glad to hear my hon. friend from Wentworth (Mr. R. C. Edwards) express his vexation with regard to the vocational training school in Hamilton. He did not say very much about the need for it or the fact that a school will be established in London, but he was vexed because he was not contacted instead of the mayor and the committee in Hamilton in regard to the placing of a vocational school or vocational college in Hamilton. I just want to tell him how far he is behind the time. I was part of the committee and helped to elect—

Mr. F. R. Oliver (Grey South): And that is what happened!

Mr. Gisborn: —and helped elect a very responsible trade unionist in Hamilton to the committee. They are so far ahead of the Liberal member in Hamilton he does not know how to catch up. They had discussions with the city council, they had been in contact with the Premier of this province, they had been in contact with senior officials of the board of education. I am hopeful that their efforts are going to bear some fruit and serious consideration will be given to a vocational training school in that highly industrialized area of Hamilton.

Mr. Speaker, I am going to conclude at this point and I assure the hon. members that they will hear more from this party before this session is over.

An hon. member: Hear, hear. Is that a threat or a promise?

Mr. Gisborn: I have been waiting patiently, Mr. Speaker, to hear or see something of the Liberal Party's provincial programme. I might as well go into the same wishful thinking and day-dreaming that the hon. Minister from Riverdale (Mr. Macaulay) has gone into the last week, because I do not think they have got one—

Mr. J. J. Wintermeyer (Leader of the Opposition): Tell us about it.

Mr. Gisborn: I do not think they know how to develop one, but I will assure them that this fall when the Ontario New Democratic Party will have its regular convention—

Mr. Wintermeyer: I thought they had one.

An hon. member: Did they not have one before?

Another hon. member: This will be a dumbfounding convention.

Mr. MacDonald: We had them regularly enough—we will not be as dumbfounded as you were.

Mr. Speaker: I would ask the hon. members to let the hon. member proceed. I do not believe he needs any running commentary. I would ask the hon. members for order.

Mr. Gisborn: Thank you, Mr. Speaker. I am not bothered in the least. In the fall we will have our second convention and there will be developed and presented to the public the most dynamic programme this province has ever seen. It will be a programme that will bring about the social and economic justice that this province so greatly deserves and has no chance of obtaining through either of the two old parties.

An hon. member: Hear, hear.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, may I at the start, sir, congratulate you because I sincerely believe that you have earned the respect of all sides of this House for your urbanity, your gentle humour and your kindness. One of the aspects of your kindness which I certainly appreciated is that every Christmas you send me, and I presume you send it to every hon. member of the House, a little book on proverbs for daily living. I decided that I would look in this book in order to try to understand your cool calmness and I suggest that the hon. member for Woodbine (Mr. Bryden) would do well to read it, there are some gems of wisdom—

Mr. K. Bryden (Woodbine): I got a head start a year-and-a-half ago.

Mr. Thompson: Well, the hon. member got another one this year as well, which probably he overlooked. But, Mr. Speaker, I am talking to you at this point, I realize that you have obviously read the book, and I realize that you have assumed some of the philosophy from the book. I think that in

this philosophy the secret of your own approach to us is described in one of your proverbs: "A little explained, a little endured"—I want to emphasize that in view of having sat here during the last speaker—"a little endured, a little forgiven, the quarrel is cured."

May I add, sir, that I was inspired by the book and thought I would see some proverb that might be fitting for me as I stood today to make my remarks on the Throne Speech, and I saw this, sir. A proverb saying, "A slip of the foot, sir, you may soon recover, but a slip of the tongue you may never get over." This is not the most invigorating stimulant to encourage me to speak, so I looked just ahead of that to another proverb: "Up, sluggard, and waste not life. In the grave will be sleeping enough!"

An hon. member: No wonder he said that to the Liberal Party.

Mr. Thompson: This book was not given to me or my party alone. I imagine you might have sent two or three of these copies to the leader of the New Democratic Party—

Mr. D. C. MacDonald (York South): That is a very weak comeback.

Mr. Thompson: —but I would say that certainly you have sent it to the other side of the House. Quite frankly I am not feeling as personal about your remarks as the leader of the New Democratic party because I do not think it applies to me completely. But I would suggest, sir, that we should look at the convention, the leadership convention of the Conservative party and perhaps some of these gems from your proverbs will apply there.

Now, sir, a dynasty has passed in Ontario. A chieftain has retired, and I am sure I speak for all the House when I say we wish him a most pleasant retirement. I am also sure that the hon. Minister of Lands and Forests (Mr. Spooner) will have to replenish the lakes near Lindsay because the chieftain was very able in luring votes and I imagine he is just as accomplished in luring fish. Before the dust of the leadership battle has settled, I would like to congratulate the new hon. Prime Minister of Ontario (Mr. Robarts), the man on whose uneasy head lies the crown. I would suggest that he is assuming a very great responsibility and I am sure all of us wish him the best of health in this because we know the personal sacrifice that is required in public office, the sacrifice from his family and the tremendous pressure of work that he has to assume.

Now, I say that the dust of the leadership convention had probably settled, although I was inclined to question this. I noticed last week, sir, one hon. member on the other side of the House who seemed to me to be more concerned about whether the dust had settled or not. I notice him just walk into the House. And I suspected that he perhaps felt he had been scarred by the chase for the leadership and he was pleading, with head bloody and bowed, before the House. I hope that the hon. Prime Minister will deal kindly and gently with those who fell by the wayside because of the choices that they made during that leadership convention.

I would suggest to the hon. members on the other side that I would feel with this hon. Prime Minister there will not be the same need for obsequious bowing to him. Since I have been in this House I imagine there have been at least 10 pages that have been spoken by hon. members glorifying the previous Prime Minister, in the hope that—I would say about 10 pages of quotes have been taken—

Hon. A. Grossman (Minister without Portfolio): The hon. member has just been glorifying him himself.

Mr. Thompson: But not with the same objective that the hon. Minister has.

Well, sir, there have been 18 years of smug and complacent Conservative rule, and I would like to look just a little bit at the fight that did take place for the new leader. Were the issues discussed—this is the first question—did they get out a platform—the men running for office? Because, believe me, sir, there were issues that should have been discussed. I suppose in the 18 years that this Conservative government has ruled in Ontario it has had the most peculiar record, possibly, in the whole of the British Commonwealth. The immorality that has been exposed with respect to people in public office.

I just emphasize again that there were three of the previous Cabinet Ministers who were forced to resign because of their conflict between private and public interests. We have seen conflict between private and public interests in connection with the scandals in municipal life, in Eastview, in Belleville, in Arnprior, in York township, Vaughan township, Mimico and so on. I think that to me the real blot on the record of the Conservative government has been their lack of ability to face up to the issue of public poverty in the face of private wealth.

This is the richest province in Canada and yet our cities have slums, children are neglected, mental hospitals are overcrowded, and they are backward, and the pleas made that they have not got enough professional staff—the pleas made by the hon. Minister of Reform Institutions (Mr. Haskett) that he cannot attract professional staff; but I suggest if we were waging war in connection with an enemy or nation attacking us, we would train in a very great hurry people to tackle the problem and I wish that this government had seen the urgency to tackle the public poverty in the face of private wealth.

Now, sir, I was interested to see if in the leadership race any of the gentlemen who were running suddenly saw the light and realized that perhaps the record of the previous leader had not been particularly bright. I think it befitting that it was the hon. member for Dufferin-Simcoe (Mr. Downer) whom I read about first, who saw the situation of the backwardness and the lack of interest in public morality and in trying to help the poverty that there is and the gaps in prosperity in this province; and he said it, I think, in the language that is characteristic of his background, and I quote from the *Toronto Star* of October 21, 1961, and this is what this aspirant for leadership said:

I ask myself how in the name of heaven can we expect to change from the evils of our government and over-taxation if the expenditures being made during the campaign are representative of the kind of government that these men expect to lead.

This aspirant for leadership, Mr. Speaker, was referring to the others including the one who became successful, and he was referring particularly to the hon. Minister of Energy Resources (Mr. Macaulay) who had a pamphlet—a handy and expensive pamphlet brochure something like those that we often see on our desks coming from his department—and it was entitled, "Dedication, Experience, Responsibility," and the aspirant, the hon. member for Dufferin-Simcoe (Mr. Downer), said that as well as dedication, experience, responsibility, he said, "I would add extravagance."

Both the hon. Minister of Health (Mr. Dymond) and the hon. member for Dufferin-Simcoe were concerned about too much government. They suddenly saw the wisdom, which they had not seen before when they served under the then Prime Minister (Mr. Frost). Again they are quoted as calling for more activity on the part of The Department of Commerce and Development in reallocating industry into the province.

Another point the hon. Minister of Health talked about was the splendid adventure in the free enterprise system. I am not not quite sure if he spelled out his philosophy in reallocating industry, and his statement with respect to this splendid adventure in the free enterprise system.

There was another aspirant, the hon. Attorney-General (Mr. Roberts), and it was stated that he had campaigned with great energy, but he did not come out with any particularly profound insight into the decadence of the 18 years of rule under the Conservatives. He said, "I have no profound announcement." This was in the *Kenora Miner*. "I have no profound announcement concerning politics," said the hon. Attorney-General. "I shall use the beacon, the great wisdom of Mr. Frost as is reflected in the prosperity of Ontario, the leader of the Dominion."

Now, may I say, Mr. Speaker, that not all the aspirants for leadership were satisfied with the beacon of the previous hon. Prime Minister (Mr. Frost). The hon. Minister of Energy Resources (Mr. Macaulay) was not satisfied. He obviously wanted to chart his own course and thought that the beacon that the hon. Attorney-General was following might lead into the rocks, because the hon. Minister of Energy Resources, according to the *North Bay Nugget* of August 10, 1961, said, "With man orbiting the earth the age of the horse and buggy is over."

Again in the *Kingston Whig Standard* on October 18, 1958, he said, "There must be changes in the Conservative platform if the party is to succeed after Frost's departure." And indeed he mapped out a most unusual course for his party. I think he was guided very much by the policies of the Liberal Party, both in Ottawa and here. I notice a great similarity taking place from the speeches of the hon. Minister of Energy Resources (Mr. Macaulay) and those that had been fought for by the hon. leader of my party. For example, like the municipal loans fund which the province was going to emphasize.

Let me say another thing that the hon. Minister of Energy Resources had in common with my hon. leader. He had some concern and apprehension about the sales tax because he said, when he was asked about the sales tax, and I quote from the *Lindsay Post* of October 16:

he was not sure that the sales tax was the fairest method of raising the needed extra revenue. Personal income tax levy might be a better method, he declared.

Hon. R. W. Macaulay (Minister of Energy Resources): I never said any such thing in my life. I never mentioned the sales tax during the whole of the process.

Mr. MacDonald: Are you questioning the *Lindsay Post*?

Hon. Mr. Macaulay: I do not care what the *Lindsay Post* says —

Mr. Thompson: Mr. Speaker, I would be glad to read from the *Lindsay Post* and send it over to the hon. Minister—

Hon. Mr. Macaulay: What date is that, may I ask?

Mr. Thompson: October 16—

Hon. Mr. Macaulay: I do not know anything about it.

Mr. Thompson: —1961. I would be very glad to read it:

PC party leader aspirant, Robert Macaulay, is not prepared to comment on the future of the 3 per cent Ontario sales tax, should he become the party leader. He said Sunday afternoon at Lindsay that until the tax was introduced, the province was running in the red to the tune of about three hundred million.

And I would say he had more insight than the hon. Provincial Treasurer (Mr. Allan) when he brought this out. He figured the tax revenue would cut this by about half. However, he also said that he was not sure this was the fairest method of raising the needed revenue. And in quotes, Mr. Speaker, and I am now quoting:

Personal income tax levy might be a better way.

Hon. Mr. Macaulay: I never made any such statement as that.

An hon. member: And to make such a statement on Sunday.

Mr. Thompson: May I say some more which the hon. Minister of Energy Resources has—at least he is alleged to have said—but he has conveniently, or perhaps not conveniently, but anyway, he has forgotten now. And this is from the *Peterborough Examiner* of October 16, 1961. He decried the past lack of economic planning, especially of northern Ontario, and he added—and I think this is an unusually perceptive thing on the part of the hon. Minister; he added—we have got to have goals.

An hon. member: We have got to have what?

Mr. Thompson: Goals. It might mean jails. Now I would like to say this for the hon. Minister of Energy Resources. He was unique of all the aspirants in that he wanted to have a programme. And he described that he had a disappointment because the others did not seem to have a programme. Frankly, I think that another approach in which he is unique is that I personally think that the hon. Minister of Energy Resources reads. I think that he reads and I think that he has obviously studied, not only the economic programme of the Liberal party, but also some of the programmes around the world.

Now I know that the previous hon. Minister of Labour (Mr. Daley) will say that is a dangerous thing for any young man to do, as he has to me. Perhaps it is, in the Conservative party. But sir, this is where the contrasts came in connection with the now hon. Prime Minister (Mr. Robarts). Because, unlike the hon. Minister of Energy Resources, the hon. Prime Minister really did not want to discuss any programme. He made this profound statement at Cornwall on September 25. "There are various fields in which I have interests but I am not advocating any great breaks with firm policy."

Now I would be unfair to say that it was just the hon. Minister of Energy Resources who had a programme. The hon. member for Dufferin-Simcoe (Mr. Downer) also came out with an inspiring programme, which I must say did differ a little from that of the hon. Minister of Energy Resources. But I think what the hon. Minister of Energy Resources had hoped for was that the leadership, or the apparent leadership aspirants, would come out with some kind of policy. However, the hon. Minister of Health (Mr. Dymond) dodged this, I thought somewhat effectively, in suggesting that it was not up to the leaders to make policy, it was up to the grass roots to do it.

And so, sir, I went to the grass roots, that is to the 40 or 50 who sat in the Conservative convention working out a policy. And I saw the enlightened approach that they were going to develop, the new approach that would solve the problems of this great province.

The first thing that was high on the list was that the liquor laws should be modernized. Then, with the true sense of responsibility of a provincial government, they said that more money must come from the federal government for old-age pensions.

The unsatisfied judgment fund was to be changed and they were going to cover loopholes in the federal Bill of Rights. The other was that there would be some kind of an arrangement to attract immigrant families to work on farms and that immigrants should be able to be covered immediately by The Ontario Hospital Insurance Act.

This is what came out of this great convention that we have heard so much about. Well, sir, I was interested. I was actually out west at the time, so I had to find out from reports on the convention from the newspapers.

I realized the fight that must be taking place in Toronto, as all eyes were watching the performance. I was in Calgary at the time and it was a couple of days before I was able to get my *Globe and Mail*, because I believed that would be the most objective newspaper to give me an idea of what had taken place at the convention. I picked up my *Globe and Mail* of October 26, 1961, in connection with this elaborate convention from which a leader was going to stride forth.

The *Globe and Mail*, on their editorial page, this is how they talked of this great convention: "Organized Idiocy." And they went on to describe—

An hon. member: Who said that?

Mr. Thompson: The *Globe and Mail* of October 26, 1961. And then they went on to describe how this great Conservative Party, trying to show a flush of youth, had had to invigorate its ranks by hiring young men and some old people, who were supposed to put on phoney demonstrations for each of the seven candidates.

Sir, is this the decline and fall of the Frost empire? This reign, which again I want to emphasize is peculiar because it has withstood the resignation of three Cabinet Ministers, it withstood improprieties in public office, the municipal office, and it withstood the cry of people about the glaring inequality in connection with crowded institutions, with slums, with children in institutions.

I want to emphasize that point. We have been waiting for a long time to see if the government would take responsibility for young children who are in institutions. I asked the hon. Minister of Public Welfare (Mr. Cecile) about this two years ago. He told me it was not a responsibility of government, yet the government gives grants to these institutions. I will be interested in seeing the report that comes out in connection with this.

All I can say about the convention, Mr. Speaker, is what was written up by a very wonderful and penetrating columnist who died some time ago. She was with the *Financial Post* and had been with the *Toronto Telegram*. It is Judith Robinson of whom I am speaking, sir.

May I just simply say that she feels that after the leadership election there needs to be a great deal of roof patching. She feels that it is going to be hard for one particular aspirant to be able to fit in with the rest of his Cabinet. Now, I feel that with regard to this man and some of the things that he came out with, and I am referring to the hon. Minister of Energy Resources (Mr. Macaulay), I would agree with the incisive ability of Judith Robinson to see some of these situations. She suggests that Bob, as she says, should not be in the same government with them and hon. members and I should not be in the same party.

Now, sir, I think that the hon. Minister of Energy Resources is a man who reads. He is unusual from many of our celebrated colleagues on the other side in that having read he has learned. He came out with some very intelligent and able things. The only difficulty is that neither he nor they would be accepted by that old decadent administration which has been warped and shrivelled over 18 years.

Now, the hon. Prime Minister (Mr. Robarts) looked at me as though I might be being a little bit unfair in this.

Hon. J. P. Robarts (Prime Minister): Oh, no, I do not. I do not look at the hon. member as if he were unfair.

Mr. Thompson: I do not think the hon. Prime Minister should, if he does.

Hon. Mr. Robarts: The hon. member is not unfair.

Mr. Thompson: In regard to the five by-elections recently, one of the great prides of the old, big dynasty was that: "We never lose a by-election. We never lose a by-election." That is the old refrain, the old refrain.

Hon. Mr. Macaulay: A Liberal never died before, they just let the air out.

Mr. Thompson: It is an old refrain. Now, what happened? I would like to suggest in the hon. member's little proverb book here there is a great deal of truth that could be applied to this party, because one of the

proverbs, for March 2, I think, said: "All is lost that is poured into a cracked dish."

No matter how they embellish it with words, sir, the Conservative party's dish is cracked. We see this. We see the almost desperate endeavour on their part during the Throne Speech to embellish the plate, to hide the crack, cover it up with sticking plaster or something.

Here was the usual platitudinous statement, looking up to the mountain top. But another little thing in the hon. member's book says, and I say this particularly with reference to the Throne Speech, and this is the motto for today, February 26. It says: "A good example is the best sermon." I would suggest that we naturally will be cynical of these highly platitudinous remarks that come from the Throne Speech, because we have not seen much of a good example from this Conservative government.

Now, sir, are we too harsh with the beat of drums and with the wave of an enormous panorama? The hon. Minister without Portfolio (Mr. Grossman), the hon. Commissioner of Liquor—I am sorry I have not got the title straight but he is smiling at me and I think he knows that I am referring to him—was suggesting there were going to be great provisions in the liquor laws and of course we looked with anticipation to this, because the hon. leader of the Opposition had pointed out very clearly the direction that the hon. Minister should have taken—pointed out very clearly the hypocrisy in the liquor laws.

And I remember a couple of Sundays ago being on a radio programme with the hon. member for St. George (Mr. Lawrence) and how sorry I felt for him, because I realized that there was a conflict of conscience between the man as a party member and a bright, able, young individual. He could not talk about anything on that programme and in a rather plaintive manner his report to me was, "Well, you know the liquor situation was really started by Hepburn." Eighteen years, and yet they have not changed it.

And then did they change it? What happened? As the hon. leader of the Opposition so aptly said, it was like the squeak from a mouse instead of the roar of the lion. What did they change? The permits. But, oh, they were still nervous about that. Here they stood with righteousness and sanctimonious attitude about the reason for having the permit. I can well recall this. Someone stood up quivering with righteousness and told me in this House that permits must stay to guard our youth in case they should get

a bottle of whisky or some such thing. It was the hon. member for Victoria (Mr. Frost) who said that.

An hon. member: On March 17.

Mr. Thompson: Was it March 17? Well, it was a suitable occasion to discuss it.

What happened to change the whole situation, as it has done very little? As I look across at the hon. Minister of Liquor Permits, I know that his title is broader but his actions do not distinguish him as being much more than chief of liquor permits. I know he is very restless and hoped to have broader changes and get this from just a hypocritical approach. We are cynical about this, why should we not be cynical about the rest of the platitudes that are being placed before us through the Speech from the Throne?

May I say that to me there was an indication of the priority which this government gives when we had safety regulations which were so urgently needed, when we have asked that these regulations should come before the House, when we have had over 25 men die in Metropolitan Toronto because of the lack of safety regulations, and yet in priority the regulations that are changed are in connection with liquor permits while this regulation with respect to the safety of workers is still delayed as it goes through another council prior to being brought down.

Now, sir, I would be unfair to the new hon. Minister of Labour (Mr. Warrender) if you should castigate him for the lack of action that has taken place with respect to safety, because I feel very strongly that the McAndrews Report which came out—these conditions were known for many years, and I, as the member for Dovercourt riding, have seen and talked with people in my riding who suffered fear and worry every time they went to work and did not know their rights, and I hope that very shortly we will hear of safety regulations and that they will have the priority that the government has given to changing the liquor regulations.

May I say that I think of my own riding at this time; I think of the very real need, and feel a concern for the people of a minority group whom we have invited to come to this country. Now I know that the hon. Minister of Travel and Publicity (Mr. Cathcart) has been critical of me because he says I speak of ethnic groups and I would say to him I speak of them because I represent them; my riding is a cosmopolitan one.

And I, sir, have been concerned at the tendency for exploitation of newcomers in

our society here. And I have seen examples of that exploitation. I just read here from the *Toronto Star* a new affair of an Italian immigrant who had come to Canada and puts in 48 hours a week and gets \$35, and they go on to describe more.

And I would suggest that the hon. Minister of Citizenship (Mr. Yaremko)—and I am sure he is concerned as I am—and I am sure he knows that in his riding as in mine and many of the others, there are these cases of exploitation. I would like to feel that citizenship could mean more than just describing the colour of the maple leaf, even though I must say that was done with a poetry that speaks highly of the hon. Minister's artistic soul, but I would say this, that the hon. Minister knows as I do that citizenship should mean equal opportunity and should not mean exploitation.

I emphasize that one of the ways in which we can check exploitation is by ensuring a minimum wage Act, and amplifying it and seeing that it is carried out. I would say another way is to examine carefully in our civil service that where people are applying through the civil service, who do not have a knowledge of English, or French, that we have people to help them. We have invited people to come to this country who are contributing, but I feel sure that if we look at many of our welfare offices, if we look in the federal department at the unemployment insurance offices, we find that the occasion for a newcomer to go to these offices is one of frustration and apprehension in that he cannot make himself understood and he fears the officials.

And yet surely in this province of ours one of the great things is that the services, the public services, are not feared like a Gestapo, but they are there as a service to the people. And I think it is an obligation for us to see that any minority group who have served us well with their labour—that we also, when they are in need, serve them well.

I would also like to talk about retraining. And I would like to put it to the House in this way. I have listened for example to the hon. member for St. George (Mr. Lawrence). I was going through some of his speeches over the weekend. And I was interested in his emphasis on immigration. I know there are many people on all sides of this House who believe in immigration, who are immigrants themselves or their parents were. Yet I would suggest in the world today if we believe in getting new people and if we are going to follow the policies of the hon. federal Minister

of Citizenship and Immigration (Mrs. Fairclough), which are to select skilled people to come here, then—in view of the European Common Market and the increased prosperity in many of the industrial countries—we are going to have to take people from some of the less wealthy and more rural countries.

And that requires that we take them with the understanding we are going to have to help them to integrate into our industrial society at the start. And if we look on it just purely in terms of economics, I think that it could be justified to give some kind of retraining to these new people coming because, over a period, if they adjust into our economy, their children are going to be consumers and they themselves are going to be contributing. And I would say that an example for breaking the way on this is right now, the opportunity—and it is in connection with the retraining programme which is going on near my own constituency—to develop across this province under Schedule 5.

And I would like again, sir, to ask the hon. Prime Minister (Mr. Robarts) who is also the hon. Minister of Education, seriously to reconsider the decision for not permitting men—who have had trade training in Europe and who have come here, and who have been encouraged to come here—for not permitting them to be included in a retraining programme so they can adapt into the Canadian economy. I think this is something that should be worked out definitely with Ottawa, as our economy develops more and as we encourage more new people to come in.

May I say, sir, that I do not like to feel that I am being continuously destructive about what the government proposes. There have been some glimmers of light, I think particularly with respect to housing. We certainly know that housing was most vitally needed. I was pleased to see that the hon. Prime Minister on television last night admitted that his housing programme was an emergency. Of course it is an emergency.

Hon. Mr. Robarts: I thought I said it was not a crash programme.

Mr. Thompson: Not a crash programme. But the hon. Prime Minister said there was an emergency for this.

Hon. Mr. Macaulay: Well, there is a sense of urgency about it; there is no doubt about that.

Mr. Thompson: Well, let me just put to the hon. Minister of Energy Resources just

how urgent it is. I am glad that he—I feel a kind of spark of warmth for him, in that he sees this. And I will tell you why, because none of the other hon. members has noticed it. But let me tell you this; for example in Metro unit, in connection with public housing, this is our bold imaginative approach: In Metro there were 3,206 all filled with 10,000 waiting. Ray Timson, writing a series of articles in the *Toronto Daily Star*, suggested that 6,000 persons in this city—6,000 persons live in multiple family rat-holes, at rents up to \$460 per month.

Now I would like to address that to the hon. Minister of Mines (Mr. Wardrope). I have often felt that he lives and exists in an enthusiastic cloud. I remember last year when I was speaking about the tough situation of people in my riding, and he pulled out a handkerchief in that gallant way that he has; he demonstrated to me his cynicism about the problems of my people.

Hon. G. C. Wardrope (Minister of Mines): I was really crying. I could not help it.

Mr. Thompson: Well, I accept it, but I would like to see more than tears; I would like to see action.

Hon. Mr. Wardrope: I acted as well, which brought more than tears.

Mr. Thompson: I invited the hon. Minister to come with me through the riding.

Hon. Mr. Wardrope: The hon. member was not even there.

Mr. Thompson: I apologize I did not recognize the genuine tears and thought it was cynicism, because when you ask what is a rat-hole, I would be glad to show you, and I think you would be appalled at the conditions under which some of our people, our citizens, are living. I think if you were to see some of these situations that you would not only suggest that this is an experiment which may stop. You would have to say this: It has to go through and it is a crash programme.

Hon. Mr. Wardrope: We have said those things over on this side of the House.

Mr. Thompson: Let me say how much they have done, just to re-emphasize. I do not think the hon. Minister of Mines heard it, Mr. Speaker. Thirty per cent of the 400,000 dwelling units are occupied by two or more families with two or more children

each. These are the rat-hole places I am talking about that get \$460 per month. There are over 10,000 people who want to get into these housing units.

Sir, I could go on a great deal. One point that I want to state is in connection with crime. Now I can appreciate what the pressure was on the hon. Attorney-General (Mr. Roberts) to get action in connection with crime. I am not going to say that it was entirely his fault, but in the sudden period of hysteria I must say I was shocked that in my own riding well-established citizens of a minority group were enjoying a stag party—they are reputable men of the community, lawyers and doctors—and suddenly with this new flush of enthusiasm to catch criminals, instead of looking at the situation, the hon. Attorney-General—and I am not saying that it is his fault completely, but however, he is the final man responsible for it—they took these citizens of Canada down to the jail. The grandfather of the prospective bridegroom was an elderly man who had to suffer the indignation of being put in jail for about five hours. There was one man had had an operation on his leg and he had to stand there.

These are citizens of this country! They waited and waited and waited for a magistrate, and then, finally, it was dismissed; but with no apology to these people. I suggest that this type of thing by the police is hysteria. We have had other examples of this. I suggest that we get at the real roots of crime, rather than trying to show that we are taking action by taking innocent, respectable people to jail.

Sir, I do not want to go on much longer with this. I was going to speak for some length about the inadequacies of the New Party, because the inadequacies are obvious to all, but I thought I would not need to emphasize them because the hon. member who spoke before me I think demonstrated that situation for me. But I would like to say, sir, that in their amendment to our amendment, I felt they showed again they were behind the times. Their amendment is not appropriate at this time and they will recognize it, if they read it. Secondly, in connection with the sales tax that they wanted omitted—

Mr. MacDonald: We got one of the things the hon. member has been talking about, the Royal Commission on Crime.

Mr. Thompson: Well, I am glad the hon. member is hanging onto the coattails, Mr. Speaker, I appreciate the delights that the

leader of the C.C.F. party gets out of hanging onto the coattails of my hon. leader.

The point is obvious, Mr. Speaker, that you and most of us can see if we look at it. The C.C.F. amendment is not adaptable at this time, and therefore, of course, we cannot vote with them on this. May I say that I must view with some concern their whole financial approach to the many programmes which they are going to initiate. I have never understood it; there is a certain mystical quality about the whole bunch of them, partly because of their vagueness about how they will finance the many projects they are considering.

They, like us I am sure, want to see many reforms take place. But they are suggesting that the government must raise the corporation tax about 60 to 65 per cent.

Here is the man, the hon. member for Woodbine (Mr. Bryden), who just came in, Mr. Speaker. He gave a vitality to the industries in Saskatchewan, which included the shoe business and many others. I am sure they are employing quite a number of men in that province.

May I end, sir, with the example of the hon. Minister of Mines (Mr. Wardrope) and this is really our basis for not feeling happy at all with the platitudes of the government. This is an ending in the form of a poem, sir, inspired first of all by your little book which had suggested for this day: "A good example is the best sermon." I would like to elaborate this poem because I notice the hon. Minister of Mines got a great hand when he recited some poetry at the end of his address. Mine goes like this:

I'd rather see a sermon than hear one any day,

I'd rather one would walk with me than merely show the way,

The eye is a better teacher and more apt than the ear,

Advice is oft confusing but example's always clear.

When we get examples from that government, then we may agree to join with them or vote in agreement with their motion.

Hon. A. Grossman (Minister without Portfolio): Mr. Speaker, may I add my words to those which have already been uttered earlier, expressing our pleasure at seeing you presiding over the affairs of this House. None of us can help but benefit from the judgment and wisdom you bring to the highly responsible post which you hold. The many qualities you possess, plus your great patience, are

particularly evident on the occasions when many who pay lip service to your fairness, challenge your rulings so frequently, and generally on such trivial points.

May I also, sir, add a word of welcome and congratulations to those new members who have recently been elected.

Might I suggest too, Mr. Speaker, if I may, that the hon. member for Sudbury (Mr. Sopha) not leave the Chamber, because I am going to direct some remarks to him.

I wish them success, the new members, not the hon. member for Sudbury, in the discharge of their responsibilities. I am sure they will find great personal satisfaction in this opportunity for public service.

Now, Mr. Speaker, last December, before the House rose for the Christmas recess, the hon. member for Sudbury made certain charges in his speech of Thursday evening, December 14, 1961, in which he criticized certain actions of the liquor control board which I am privileged to serve as chief commissioner. Hon. members will note that I asked the hon. member, and gave him warning, to stay in the House, which is more than he did that evening for the hon. member for Algoma-Manitoulin (Mr. Fullerton) when he made charges against him.

The hon. member at that time made some wild charges about patronage in the leasing of buildings for liquor control board stores in Sudbury and Capreol. He alleged huge profits made by the lessors, and so on. I shall quote the hon. member as at page 477 of *Hansard* of December 14, 1961, and I quote the hon. member:

I am going to give him [referring to me] the facts on two transactions, and nothing but the facts.

I think it is safe to say that the great fountain of patronage in this government is in the liquor control commission. One of the methods of granting patronage in the liquor control commission—a method of which, for reasons which will become apparent, I heartily disapprove [and I will do it in the same fashion as the hon. member did] and which I condemn, and I would want to be no part of a government which carries on this racket—is granting a right to the individual to build a liquor store and then rent the property back to the liquor control board.

In order to get that right, you just cannot be an ordinary Tory, you have to be one of the brass—

(Applause)

I would suggest to the hon. members that they hold their enthusiasm because we are going to soon find out about these Tories.

—you have to demonstrate your devotion to the Conservative Party above and beyond the duty of ordinary mortals.

And that is the end of his quote, Mr. Speaker.

He went on to charge that our leasing of the liquor store in Capreol created a bonanza for the lessor, and by virtue of some rather spurious and unorthodox method of financial arithmetic attempted to create the impression that the liquor control board engaged in some improper conduct in respect of its method of leasing these stores in Sudbury and Capreol.

May I deal—I will deal with the locations as they arise.

Mr. E. Sopha (Sudbury): On a point of order—

Interjections by hon. members.

Hon. Mr. Grossman: —just throw them all at me, I will deal with them as they come. May I deal first with the two locations to which my hon. friend has seen fit to refer?

I will speak first of his charges about the store at Capreol. Among other things, my hon. friend said that Capreol was a little community 20 miles north of Sudbury. By the time I am finished I will prove to this House that that was the only accurate statement he made on that evening. My hon. friend went on to say that the lessor in this instance has a \$25,000 to \$30,000 building on property costing \$2,500. A maximum investment of some \$35,000, to use his figures, for which he holds a 10-year lease, bringing in \$4,380 per year.

My hon. friend then went on to expound the theory that the whole investment would be returned in as little as 10 years; that he, the lessor, would have a tenant forever and would be, in the hon. member's words, "in clover."

Now, in taking the figures as presented by the hon. member at their face value it becomes apparent that he is either devoid of any knowledge of financial matters, or, and I think this is more likely the case, he has little regard for the intelligence of this House and certainly less for the good sense of the fine citizens of the city of Sudbury. He states that the man's investment is \$35,000 and that at \$4,300 per year rental he will have his investment back in 10 years and then, as he puts it, be "in clover."

He may not know it—but I am sure the citizens of Sudbury do—that if you take any interest figure at all over a period of a certain number of years one could always argue that the capital invested to produce that interest would eventually be paid back. To the uninitiated this might give the impression that somehow or other there is something wrong about this, that a man should be able to get back what his capital investment was in interest alone.

Mr. Sopha: How about bonds?

Interjections by hon. members.

Mr. Speaker: Quiet! Order!

I would point out to the hon. members of this House that on the occasion to which the present hon. speaker is referring I maintained the very strictest of order because it was a very serious evening and I am going to do the same thing. I think it is just as serious at this time as it was at that time. I am going to see that the speaking hon. member has the utmost co-operation from the hon. members in order.

Hon. Mr. Grossman: Mr. Speaker, it seems rather peculiar that the ones in this House who are able to dish it out are the ones who seem to be the least able to take it.

Even a government bond, Mr. Speaker, at 5 per cent will return your capital in 20 years at simple interest; and at compound interest would return your original investment in about 11 years. A conventional first mortgage at 7 per cent will return your capital in about 14.5 years and at compound interest in a little more than 10 years.

In playing with the Capreol figures as my hon. friend has done—and may I say parenthetically, even presuming that there are no expenses involved—in figuring this he forgot the figure about the expenses involved and those which should be charged normally against gross rental at this store. He produces a gross income yield of about 12 per cent, which, even at that, would not be such an outrageous figure for a rental investment return.

However, the hon. member, as I have stated, engaged in some fast, if not neat, footwork, by not mentioning the expenses such as maintenance, depreciation, insurance, taxes, and so on, which certainly reduces the net return to this lessor very considerably. Surely the hon. member does not think the people of Sudbury are so stupid as to be taken in by his verbal juggling. I know many Sudbury businessmen who would laugh him out of their offices if he came to them

with a proposition that they invest some money in property and regard a gross rental return as clear profit without reference to maintenance costs, taxes, insurance, depreciation, and so on.

The hon. member had much to say about the property on LaSalle Boulevard in Sudbury, including the fact that the principals of the company lived in Sarnia. What a terrible thing! He attempted to make quite a thing about that fact. To quote him, he stated “four of them are from as far as Sarnia.”

I must confess I cannot see anything wrong with people living in Sarnia and investing their money in Sudbury. One would almost think he felt a passport necessary for them to get into Sudbury and invest money there. Perhaps he ought to tell the Sudbury city council to pass a by-law prohibiting “foreign” investments from other Ontario cities.

Mr. Sopha: Mr. Speaker, I wonder if the hon. Minister would—

Mr. Speaker: Order. I think it is known to the hon. members of this House that when any hon. member is speaking, an hon. member rises to ask a question and the hon. member does not actually stop his speech, it could be made obvious to the hon. member asking the question that at that point obviously the speaker does not wish to answer the question. It is the same on both sides of the House. Now is there a question?

Mr. Sopha: On a point of order. In view of the fact that the hon. Minister has spoken about the maintenance costs and other incidents of tenancy, I think he is obliged to—I was going to say on a point of order—

Mr. Speaker: Order!

Mr. Sopha: I was going to say, on a point of order, to table the lease.

Mr. Speaker: I would ask the hon. members, as I have frequently mentioned before, to state the point of order.

Mr. Sopha: I am merely asking, on a point of order, that since the hon. Minister has referred to these things, that he ought to table the lease. That is all I am asking.

An hon. member: That is all he is asking.

Mr. Speaker: Order!

Hon. Mr. Wardrope: The trouble with the hon. member is he cannot take it.

An hon. member: That is right! We had to listen to the hon. member for quite a long time, Mr. Speaker.

Hon. Mr. Grossman: Mr. Speaker, any time any of the hon. members want to ask any questions about leases I would be very glad to answer them, if there is anything wrong with any of the leases the liquor control board has. Obviously, I have not seen them all. When an hon. member raises questions, I will be glad to produce them.

Mr. Sopha: All that is true.

Hon. Mr. Grossman: Mr. Speaker, I am dealing with specific charges that the hon. member made. Now let me deal with those, and if he has any further to make, I will deal with those as they arise.

The hon. member stated that these people paid \$24,000 for the land—he put a value between \$4,000 and \$7,000 on that land—and he thought it might be interesting to inquire why they would pay what seems to be an inflated value for the land. He told us further that they took out a mortgage for \$80,000 repayable at \$638.90 per month; that they received a 15-year lease from the board at a rental of \$11,895 per year, and noted an option to renew for 5 years.

The hon. member has attempted to show us that the lease will bring back about \$165,000 in 15 years, and these people, too, would be “in clover.”

Mr. Speaker, the fact that these people saw fit to buy the land at all is, in my estimation, no concern of ours. I doubt that this House cares how much they paid for it, nor how good an arrangement they made to build this building. What does matter, rather, is the basis on which they are doing business with the Liquor Control Board of Ontario. How much we are paying them—

Mr. Sopha: They bought the land only after they had to deal with the board.

Hon. Mr. Grossman: Mr. Speaker, if there is anything that I have not mentioned here with respect to the facts, as the hon. member stated them, he is at liberty to bring it out later. Now, if he waits until I finish, if he controls his exuberance, he may find I am answering the questions. What does matter, I repeat, Mr. Speaker, is the basis on which they are doing business with the Liquor Control Board of Ontario; how much we are paying them and whether our lease with them is a just and proper one.

Interjections by hon. members.

Mr. Speaker: Order! I would point out to the hon. members, as I have on many occasions, that all hon. members of this House when speaking will receive equal treatment and I am going to insist on that. There are opportunities to come yet when hon. members can make replies if they wish to, but at this particular time one hon. member has the floor and once again I appeal to the hon. members of this House to give him the same attention as has been given previous speakers all through this Throne debate.

Hon. Mr. Grossman: The hon. member at that time, December 14, last, invited me to get the information relative to these matters. Well, Mr. Speaker, here are the facts. The hon. member might better have asked for them first, before he made his wild and baseless charges, and save the time of this House and also saved the taxpayers some money.

Sir, I had just been appointed Chief Liquor Commissioner when these charges were made. I was considerably upset by them. I was not only interested in satisfying this House about the actions of the liquor control board, but I also wanted to satisfy myself. Being new to the board, I wanted to assure myself that the board was really doing business in the proper fashion.

I am now in receipt of all the facts regarding these matters raised by the hon. member and they completely belie everything he has stated. As a matter of fact, in investigating his claims, certain facts have come to light which puts into question some of the actions of the hon. member himself.

I present the facts as they were, and are—not as we have had them presented to us in these ridiculous charges. To this end, I have had my officials secure the services of a competent and qualified business house to examine the properties involved, the agreements regarding them and to compare these facts with other like properties in the respective communities.

I have here a report of the Montreal Trust Company signed by one of the most highly qualified men in this particular field. I would like to place his qualifications before the House prior to my presenting his views:

The gentleman who appraised this whole situation is Mr. Garth S. Webb, employed by the Montreal Trust Company in Toronto. He is a graduate of Queen's University with the degree of Bachelor of Commerce. He passed with honours a three-year course receiving his Fellowship of the Realtors Institute with the University of Toronto,

and Canadian Institute of Realtors. He passed the appraisal course as a qualifying member of the Appraisal Institute and received accredited appraiser, Canadian Institute, accreditation. He has had seven years experience in real estate and appraisal. He is a director of the Toronto Real Estate Board and is president of that board's salesmen division. He serves on the education committee of the Canadian Institute of Realtors; the editorial committee of the Canadian Association of Real Estate Boards; the governing council, the Canadian Institute of Realtors; the editorial committee, the Appraisal Institute of Canada. Listed among his clients are some of Ontario's outstanding business houses, which are listed in his report.

Mr. Speaker, this appraisal cost money and that is why I say that the hon. member should have investigated before making his ill-founded charges.

The preamble to the report reads as follows under

PURPOSE AND METHOD

It is the purpose of this report to analyze rental conditions with respect to four L.C.B.O. retail stores in the Sudbury area. It will determine the market rent for typical accommodation in the respective areas. This will be accomplished by reviewing rents being charged in the district for comparable properties. These are then adjusted to give an indication of a fair rental for subject property. This rental analysis will be supported by a rough capitalization of store costs.

The method employed is well-documented in this appraisal report which contains very complete and detailed descriptions, figures, and even photographs for comparative purposes. I will not burden the House with the voluminous detail contained therein, but will put into the record the conclusions which the appraiser arrived at and will then table the full report so that any hon. member of this House or the press may examine it at will. The summary in conclusion of this report is as follows:

Summary of Salient Facts & Conclusions:

In studying rental conditions in Capreol, Sturgeon Falls and Sudbury relative to the L.C.B.O. stores, the following conclusions can be drawn:

1. In all cases the L.C.B.O. pays less rental than would be indicated by the general market conditions.
2. This reflects the superior bargaining power of such a strong credit position.

3. Sudbury, Capreol and Sturgeon Falls are fairly typical of retail store properties and the comparison is valid.

4. The new Sudbury store is located in a new area and is self-contained. Its rent falls between shopping centre and factory rates and this is quite in keeping with the respective accommodation.

5. The capitalization of the investment confirms the rental figures for the Sudbury, New Sudbury and Capreol stores. Because of the age of the building and of the lease no such estimate was made for Sturgeon Falls.

I might add that the appraiser included Sturgeon Falls to get a better perspective on comparative rentals in the whole of the Sudbury area.

I might also add that in his report to us, Mr. Webb has shown that in respect of the property in Capreol he was able to conclude, as a result of his searching examination, that a fair rental for the property in question would be some \$5,636 per year. In actual fact the L.C.B.O. pays \$4,380 per year. In other words, we pay some \$1,256 less than the suggested fair rental.

With respect to the property occupied by the L.C.B.O. on LaSalle Boulevard in Sudbury, Mr. Webb, after a similar examination of our premises and others, stated that a reasonable rental figure would be anywhere from \$10,953 to \$12,143. In this instance the L.C.B.O. pays \$11,895 which is somewhere in between. I submit, Mr. Speaker, that no one therefore can charge that this is an unreasonable rental. The lessor is only getting a fair return on his investment.

In the concluding remarks of his appraisal of this LaSalle Boulevard property, Mr. Webb states, and I quote:

It is unlikely that other builders under normal circumstances would be willing to provide these facilities for any lower return.

It is interesting to note that even though, in the words of the hon. member, the lessor paid \$24,000 for the land, the appraiser in considering its value, valued it at only \$15,000 in arriving at what the rent should be and, therefore, if we were to take the amount stated by the hon. member for Sudbury as \$24,000, and figured the return on that amount, as the land value, the liquor board's rental figure would show up even more advantageously to the board.

These facts speak for themselves: the liquor control board of Ontario has in every

particular been meticulously careful in its dealings with these lessors. The agreement provides good value for the money spent on behalf of the people of the province of Ontario and, of course, at the same time, has been fair to the owner of the properties concerned. We always negotiate leases from a position of strength in the knowledge that we are a good lessee, because our credit rating is good, and because there is very little likelihood of any vacancies and no trouble in receiving the rent moneys. I am pleased to say that in the short experience I have had with the board I have satisfied myself, and so wish to assure this House, that our very competent staff has been able to secure good leases in the interests of the taxpayers of this province.

Now, Mr. Speaker, let me turn to the charge of "patronage" which has been so loosely used in this connection. Let me inform the hon. member that we have numerous stores leased from prominent Liberals. For example, we received an unsolicited letter from a Dr. Lee L. Crowley of Belle River, a prominent and avowed Liberal, who in his letter stated that he had held office both in provincial and federal Liberal organizations. We lease a store from this gentleman and in reading certain charges in the newspaper he, unsolicited, wrote to say that he thinks very highly of our method of doing business, and in his letter stated that he felt the Liquor Control Board of Ontario drives a hard bargain in obtaining a lease. He also notes in his letter that during his relationship with the liquor control board he had never found that his connection with the Liberal association had ever been held against him. I would refer the hon. member to his political colleague, Dr. Crowley, for information as to how we do business.

Now, Mr. Speaker, I would also refer the hon. member to the two gentlemen from whom we lease our downtown store in Sudbury—that is, the store at Cedar and Elgin streets. He may just discover, Mr. Speaker, without probing too deeply, that the lessors in this instance are two gentlemen with whom I think he might be at least slightly acquainted.

Mr. Sopha: They are my landlords, too.

Hon. Mr. Grossman: Now, let us just find out whether they are just the hon. member's landlords.

Interjections by hon. members.

Mr. Speaker: Order, order. I am going to point out to the members once again that I am not going to appeal to this House only on behalf of the man who is speaking; I am going to appeal to this House on behalf of all members. I know it is a most annoying thing to be sitting close in the vicinity of a member who is continually interrupting the proceedings of the House, and on the basis of our colleagues who sit near to us I think all members should be mindful of our interruptions in the proceedings.

Hon. Mr. Grossman: Well, Mr. Speaker, as I stated, I think the hon. member might be at least slightly acquainted with these gentlemen. They are known by the names of Dr. Michael V. J. Keenan and Dr. George N. Murphy. Just in case the hon. member for Sudbury should have a lapse of memory, I would remind him Dr. Keenan is president of the Sudbury and District Liberal Association.

Mr. Sopha: He is not now.

Hon. Mr. Grossman: Well, not just now; maybe yesterday or a week before or a month before.

Mr. Sopha: He has not been for ten years.

Hon. Mr. Grossman: Well, was he ten years ago?

Mr. Sopha: Yes, he was ten years ago.

Hon. Mr. Grossman: Well, I am reminding the hon. member because it might just be possible that he might have forgotten these people who the hon. member says were only Liberal members ten years ago; he might have forgotten that there was quite a to-do in the last general election in 1959 because these two gentlemen—in spite of the fact that the store they were leasing was occupied by the Liquor Control Board, had a very large "Vote for Sopha" sign on the liquor store, and also a sign for one Donald Coutur, who was the Liberal candidate running against the hon. member for Nickel Belt (Mr. Belisle).

His memory must be awfully short because there was a great controversy at the time about having a sign like that up on a government building and, as a matter of fact, these two gentlemen were forced to remove the sign, as a result of which they took the sign a little further down the way from the liquor store and put it up on another section of the same edifice. Patronage, indeed.

Well, I would say that in Sudbury it seems that the liquor board—if it is engaged in

patronage—must be patronizing the Liberal party. Perhaps some changes should be made in this respect. The hon. member has succeeded in encouraging me to look into this patronage with a view to seeing that Tories are not discriminated against. There will be more about Dr. Keenan a little later on.

Now, sir, what motivated the hon. member to attempt to build such a big issue on such a puny base? I will do it in the fashion he does—he amuses me so much I wish I could do it as well as he does—as he is wont to do—you will remember that night in December.

Was it sheer public-spirited devotion to duty? Was it the self-righteous wrath of an indignant M.P.P.? Was it an overwhelming urge to see justice done? Was it an honest attempt to expose patronage, so abhorred by the Liberals when out of office, and so thoroughly perfected by them when in office? As for example when, by their own admission in the records of the Liquor Control Board files, the Liberals during the first two years of holding office fired 913 Liquor Control Board employees, most of them returned soldier, replacing them with 957 Liberal job-seekers?

Interjections by hon. members.

Hon. Mr. Grossman: Mr. Speaker, as far as I can see from the records I have examined at the Liquor Control Board, I do not see one instance of any Liberal being fired to be replaced by a Conservative or anybody else.

Well, perhaps, Mr. Speaker, I can give this honourable House a clue to the hon. member's motivation in this case. Mr. Speaker, I have never in my public career found it necessary, desirable or attractive to impute improper motives to any elected representative. I have always believed in the principle that if a person throws mud some of it will cling to the person throwing it. I am also conscious of the fact that continued mud-throwing destroys the confidence of the people in all the elected representatives and thereby hastens the destruction of a free society. Therefore, I attribute the hon. member's charges to sheer petulance and vindictiveness at having lost a case for a client.

Mr. Sopha: Not a client at all; a constituent.

Hon. Mr. Grossman: We will find that out in a minute. That is what we are going into. Mr. Speaker, we are going to examine the difference between a constituent and a client here.

Mr. Sopha: A client pays and a constituent does not.

Hon. Mr. Grossman: To use the words of the hon. member, they are only constituents and not clients, is that right?

Mr. Sopha: That is right.

Hon. Mr. Grossman: The hon. member says yes, they were not clients. To use the words of the hon. member when he was making a serious charge against the hon. member for Algoma-Manitoulin (Mr. Fullerton) on that same night, December 14, "I will merely let the record speak for itself." I am going to quote the hon. member again at page 477, and I would like the hon. member to pay strict attention to this please, although I think it is unnecessary because he has already said that these people were not clients, they were merely constituents. He said here:

To you, sir, and to the hon. members, I must confess my own part because I would not want to mislead the hon. members in any way. I was approached by a group last year in Sudbury asking me if it would be possible to make representations to the Liquor Control Board to get them the right to put up a store, or rent them premises in a shopping plaza that they were building in the section of Sudbury known as New Sudbury the rapidly expanding residential area to the north. On their behalf I made some inquiries and introduced them to the late chairman of the Liquor Control Board. He told me the type of material he wanted to have from them. I never at any time appeared before the board on their behalf. I never prepared any brief or made any presentation. My services were confined entirely to arranging an interview with the late chairman. Certainly they had my best wishes. May I add, sir, that I was not paid one cent for any of those services.

Mr. Speaker, "this group," as he calls them, were actually his clients and certainly his services were not—to quote him—"confined entirely to arranging an interview with the late chairman." I have here copies of six letters which were written by the hon. member and by his law partner.

I was hoping the hon. member would not get up because I would hate to see the hon. member get up and state emphatically they were not his clients because there is going to be a little difficulty here for him if he does.

Mr. Sopha: I rise on a point of privilege, Mr. Speaker. Would you hear me please on a point of privilege. My point of privilege is that of the group to which the hon. Minister refers, only one—only one was—

Interjections by hon. members.

Mr. Speaker: Order! Order! State the point of privilege.

Mr. Sopha: Of the group to which the hon. Minister refers I know only the identity of one of them; and that one, sir—only on other matters was he ever a client.

Hon. Mr. Grossman: I have not mentioned any names yet. I do not know how he is anticipating me.

Mr. Sopha: I will clear this up, Mr. Speaker. Let us clear this up. The hon. Minister, if I heard him correctly, said that I was representing a group who wished to build a store. He accused me, sir—he mentioned the fact, or alleged that they were my clients, and I want to set the record straight and say that of that group only one whose identity I know was on other occasions—quite divorced and separate and different and unconnected with this matter—was a client.

Interjections by hon. members.

Mr. Speaker: Order, order. Let the member continue.

Hon. Mr. Grossman: Mr. Speaker, the hon. member only made matters worse for himself, as he will hear as I go along.

Mr. Speaker: I said I had here copies of six letters which were written by the hon. member and by his law partner. None of these was written on legislative stationery, as one might expect, as are all the other letters written by the hon. members of this House when making representations on behalf of constituents. They are all written on his law firm stationery. In addition, in every letter the reference to this so-called group is "clients." I will now read the letters to this House and enter them into the record, allowing these letters to speak for themselves. I shall also table a copy of these letters for the hon. members.

Mr. Wintermeyer: And the lease too? What about the lease?

Mr. Grossman: All you have to do is ask for the lease and I will get it for you.

Mr. Speaker, no one raised the question of the lease, they were only raising a question of impropriety as to how much we were paying and there was no question of that. We admit what we were paying, there was no argument about it.

Anyway, to get to the letters, **Mr. Speaker,** dated November 21, 1960, on the letterhead of Sopha and Conroy, Barristers and Solicitors.

To the Liquor Control Board of Ontario, attention Mr. Collings, Chairman.

Re: Romaniuk and Liquor Control Board of Ontario
Dear Sir:

We enclose a brief from our clients—
note, from our clients

—who are at present in the midst of planning the construction of a new shopping plaza. We would ask that you consider their brief.

Yours very truly,

(signed)

E. W. Sopha

On November 22, another letter on the letterhead of Sopha and Conroy, relating to this case, re Romaniuk and L.C.B.O., signed by E. W. Sopha. I will not read the contents, they do not have any bearing on this.

Several hon. members: Read it.

Hon. Mr. Grossman: All right, I have just as much time as the hon. members:

Dear Sir:

Enclosed please find two architects' sketches of the shopping plaza, office sketch of the property and a city map which were omitted in our letter of November 21st, 1960.

Interjections by hon. members.

Hon. Mr. Grossman: Well, apparently the hon. members are shouting: Where is the word "client"? I must presume then when they use the word "client" that really proves that they really were clients. It is signed by E. W. Sopha.

Mr. Speaker: I have heard so many questions this afternoon that I would point out to the members that they are quite out of order, shouting and asking members questions without first standing. I would point out that when a member wishes to ask a question he stands and obtains the floor.

No member of this House can continually shout across the floor, asking questions. If the question goes unanswered it is quite obvious that the member who has the floor does not wish to answer the question and it cannot be made any plainer.

Hon. Mr. Grossman: Mr. Speaker, the hon. members may as well make up their minds from here on, if they are going to make any charges across here, they are going to be

subject to the same thing. This is distasteful to me. In December—

Interjections by hon. members.

Mr. Speaker: Order! I would first of all point out to the members of this House that they are extremely out of order, and showing extremely bad manners when there is any speaking while the member is on his feet. I will point out that the members of this House appointed me as their Speaker, unanimously I believe, and at that time I undertook certain obligations to keep order in this House. The obligations I undertook are going to be carried out and if it means standing on my feet a great deal, then I will do it. I have tried all through the various sessions to be on my feet as little as possible but I cannot continue in this way if we have constant interruptions.

I will once again point out to the hon. members that in this session we have had many serious charges made. I saw to it the hon. members making those serious charges had the utmost in attention. I am going to continue in that way, and will continue to be on my feet even more than the hon. members unless I obtain order.

Hon. Mr. Grossman: Mr. Speaker, of course on that night of December 14, the hon. member to whom I referred spoke for about an hour making some very serious charges against an hon. member on this side of the House and you could hear a pin drop. There was not a bit of interruption. I think we are entitled to at least a semblance of that kind of attention.

Dated January 5, 1961, on the letterhead of Sopha and Conroy, Barristers and Solicitors.

Attention Mr. Collings.

Re: Romaniuk and L.C.B.O.:

Dear Sir:

Mr. Sopha advised me earlier that you had hopes that there might be some decision or some consideration of the hearing in this matter on or about Christmas time and my client has asked that I write to you asking if you had any knowledge of any decision in connection with this matter.

Yours very truly

(signed)

Edward James Conroy.

—the other gentleman of the firm.

Dated January 12, 1961, on the letterhead of Sopha and Conroy, another letter—nothing too significant about this letter, except that they are referring again to this case, signed Edward James Conroy of the firm of Sopha and Conroy.

Now, dated March 6, 1961—very persistent—now on the letterhead of Sopha, Conroy

and, I hope I pronounce it right, Huneault, Barristers and Solicitors.

Liquor Control Board of Ontario,
Attention Mr. Collings.

Re: Romaniuk and L.C.B.O.

Dear Sir:

Our clients are about ready to start construction on this premises and we wondered if your department was near a final decision so that we might consider whether or not to make allowances for a liquor store.

In other words, Mr. Speaker, I think it can be fairly well established from this that this firm was somewhat involved in setting up the plans and so on for these clients of theirs in connection with the plaza.

Dated May 1, 1961, on the letterhead of Sopha, Conroy etc.

Liquor Control Board of Ontario,
Re: Romaniuk and L.C.B.O.

Dear Sir:

Thank you for your letter of April 17, 1961. My client has asked me to contact you in that there are persistent rumours in this district that the decision has not as yet been definitely made, in that the proposed area, as we understand it for the liquor store, is in a light industrial area for which the planning board not likely to give their approval. We are further advised that right across the road from the proposed location is a Presbyterian church and immediately behind the proposed site is the commencement of a large ready-mix plant.

We would appreciate knowing whether or not a decision has been finally made. If there is a reversal of the decision or a reconsideration, must we re-apply or shall we be notified to re-tender on the proposed liquor store?

As you can imagine, my clients are extremely anxious to see the store situated in the commercial area which they have in mind rather than in the light industrial area some miles from the commercial zone and as well on land which they do not own, of course. To that end, I think, they would be willing to discuss rents, design and other features which might affect your decision and if there is any possibility of future consideration, we should deeply appreciate being kept in mind.

This is signed "Edward James Conroy" of the firm of Sopha, Conroy and Huneault. In case I forgot to mention, the letter dated March 6th was signed "Edward James Conroy" of Sopha and Conroy.

Mr. Sopha: Am I my brother's keeper?

Hon. Mr. Grossman: Mr. Speaker, the hon. member forgot that when I read that letter it said "our clients"—"our clients."

An hon. member: Big deal.

Hon. Mr. Grossman: Well, of course, it is not a big deal if it happens to somebody on the other side.

Mr. Speaker, hon. members will note that on this last letter there is no pretence or suggestion that this group is anything but a client on this legal stationery signed by Mr. Conroy of the firm. "Must we re-apply" or "shall we be notified to re-tender?" So that

the presumed altruistic efforts on behalf of a group of constituents has now evolved into "my clients" or "our clients."

Mr. Sopha: We never got a dime.

Hon. Mr. Grossman: Mr. Speaker, if he was giving them the kind of financial advice evidenced in the manner in which he used his arithmetic here, I do not doubt he was not paid for his work.

Now, Mr. Speaker, if we are plunging the depths to discover sinister deals and vile patronage, permit me to add a tang to this little morsel of conspiracy which the hon. member has dredged up.

I am told that the firm of Sopha, Conroy etc. is now located at 7 Cedar Street, Sudbury, which is the same building owned by the same Dr. Keenan, president of the Liberal association, and the same edifice in which our liquor store is located. Quite a connection for a bunch of Tories, I would say.

Further, Mr. Speaker, I am informed on "very good authority"—as the hon. member for Sudbury is prone to remark—that behind Mr. Romaniuk, for whom the firm of Sopha, Conroy, etc. was acting in this case, was the same Dr. Keenan who is the lessor of the store at Cedar and Elgin streets. He, this great Liberal, was to be the financial backer of Mr. Romaniuk in this deal. He is the self-same Dr. Keenan who is president of the Sudbury and District Liberal Association. Patronage, indeed.

The hon. member has attempted to mislead the House by suggesting that his attempt to do something for this so-called group in Sudbury was done out of a sheer desire to do something for a constituent.

Mr. Speaker, the letters speak for themselves. They speak volumes. If there is anything I despise it is smug self-righteousness. I despise it even when engaged in to the accompaniment of Shakespearian histrionics, in which my hon. friend is so well versed.

The hon. member had a field day during that night session of December 14. He was shocked at the actions of the liquor control board; he was outraged at the Toronto stock-ateers; then he made some very serious charges against the hon. member for Algoma-Manitoulin (Mr. Fullerton).

I think the hon. member for Sudbury (Mr. Sopha) should look into his own mirror to find out if he really wears a halo or not. Perhaps he may decide he is not in a position to pass judgment on his peers.

The audacity he showed that night in engaging in such a flagrant attempt to bamboozle this House, by putting on such an air of righteousness and pretending to be hurt because the L.C.B.O. had allegedly jilted his constituents, is amazing.

As I said, Mr. Speaker, I am prepared to put the most generous construction on his motivations in this case and my most generous construction would be that he was motivated by his anger at not being able to get the store lease for his client. The facts speak for themselves.

I will add no more, except to once again repeat that this sort of thing is distasteful to me and I have never had to engage in it. However, being a Minister in charge of a department, I suppose from here in I shall have to accustom myself to being the target of this sort of careless attack, and therefore am required to answer because of the position I am in. This I have done in this case in as generous a manner as I possibly could under the circumstances.

Mr. Speaker, I think the evidence I have presented to this House is sufficient to put the hon. member's charges in their proper light and to illustrate to the people of this province just how much credence they can put into most of the charges which come from some of the hon. members across the floor of this House.

Now, Mr. Speaker, seeing as it seems to be the fashion of this Throne Speech to end with poetry, etc., perhaps I may be forgiven for quoting Theodore Roosevelt in reference to the charges which are so frequently made from the other side:

Men with the muck-rake are often indispensable to the well-being of society, but only if they know when to stop raking the muck.

Mr. Speaker: Mr. Lawrence moved, seconded by Mr. Hamilton, that an humble address be presented to the Honourable The Lieutenant-Governor as follows:

May it please your Honour:

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly of the province of Ontario, now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has addressed to us.

Mr. Wintermeyer moved, seconded by Mr. Oliver, that the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House

be amended by adding thereto the following words:

But this House regrets,

1. That this government has failed deplorably to recognize the peril of the inroads of organized crime into the life of Ontario, and has failed to protect the citizens of this province from the activities of the criminal and the anti-social.

2. That the government's bad management of the province's finances resulted in the imposition of a sales tax and that this tax, ill-conceived and badly-timed, did produce a maximum of inconvenience to the taxpayer and a maximum of irritation for the retailer, when the plan calling for an exemption of \$25 would have been far more effective.

3. That, as a result of the wasteful extravagance, unplanned spending and inefficiency of this government, notwithstanding the imposition of a sales tax, the public debt of this province has reached unparalleled heights, and has thereby placed an onerous mortgage on the future citizens of this province.

4. That the government, which has a responsibility to do everything in its power to provide an opportunity for every citizen to work, has failed to discharge this responsibility, with the result that gross unemployment debilitates the morale of the people of this province and attacks the stability of the economy, the community, and the family.

5. That the government has failed to provide leadership in the solution of municipal financial problems by failing to institute a financial reform that would have as its key feature reduction of the property tax for education and assumption of a greater share of the total cost of education by the provincial government.

6. That, in spite of the fact agriculture is still the backbone of the economy of this province, the economic position of the farmer has deteriorated to a point where his net income is the lowest in history. This government has failed to provide assurance to our sorely pressed farm community that government efforts will be directed towards preservation of the family farm as an efficient economic unit and that farmers, working individually and co-operatively with government help, will remain in control of the production and prime marketing of agricultural products.

7. That the lack of government leader-

ship in the field of labour-management relations has brought its legislation into disrepute and thereby caused confusion and chaos in a vital area of our society and economy where clarity and order are imperative for the public good.

8. That the government's rigid policies towards the natural resource and manufacturing industries have failed to recognize the vital role it can play in assisting these industries to be competitive particularly by making available its special services for industrial expansion.

9. That the government has failed to initiate reform in Ontario's liquor laws, which under its administration have become the most widely disregarded and most thoroughly abused statutes in our province, and thereby have promoted a disrespect for law among our people.

10. That this government has failed to recognize that it has an obligation, by virtue of its jurisdiction over northern Ontario, to encourage economic development and habitation in the north.

11. That the government has failed its responsibility as the parent of the metropolitan government of Toronto to improve the structure of that government and thereby provide for the persons in the metropolitan area equity in assessment and taxation, greater balance in representation and leadership in the metropolitan council that is responsible to the electorate.

12. That the government has failed to indicate advances in policies and programmes in the fields of health and welfare.

Mr. MacDonald moved, seconded by Mr. Gisborn, that the amendment to the motion for an address in reply to the speech of the Honourable the Lieutenant-Governor now before the House be amended:

(a) By striking out clauses 1 and 2 thereof and substituting the following:

1. That the government has refused to appoint a commission to conduct a full, untrammelled public inquiry into the organized crime in this province in all its ramifications, has otherwise failed to take adequate steps to protect the people of the province against this deadly menace, and has indeed, by its negligence and its refusal to face up realistically to the known facts, permitted organized crime to extend its foothold in the province.

2. That the government has not seen fit to eliminate the retail sales tax and to rely instead on more equitable and progressive methods of raising money, such as corporation and income taxes, revenues from natural resources and a weight-distance tax.

(b) By adding thereto the following:

And this House further regrets:

1. That the government has failed to disclose any genuine awareness of the imperative need for comprehensive social and economic planning to provide continuous economic growth, full employment and balanced development of all sections of the province.

2. That the government has failed to act decisively and with a due sense of urgency to remedy the gross neglect of adequate safety precautions in important sections of Ontario industry, particularly the construction industry, and has thereby permitted the safety and even the lives of countless workmen to remain in jeopardy.

3. That the government has announced no plans to encourage farmers' economic organizations but on the contrary is continuing to hamstring such organizations with restrictive legislation, thereby undermining the position of the independent farmer and the family farm.

4. That the government has not seen fit to proceed with a programme of health insurance, covering medical and other related services as well as hospital services.

5. That the government has failed to develop a co-ordinated welfare programme designed to help all those in need regardless of category or residential qualifications, and, in particular, has failed to establish welfare allowances on a budgetary basis in line with the Ontario Welfare Council's suggested minimum income and to negotiate an agreement with Ottawa for a cost-sharing arrangement to replace the present multiplicity of specific grants.

6. That the government has not announced any intention to proceed with a bill of rights for this province.

We will first vote on the amendment to the amendment moved by Mr. MacDonald.

All those in favour of the amendment will please say "aye".

Those opposed will please say "nay."

The amendment to the amendment was negated on division as follows:

YEAS

Bryden
Davison
Gisborn
MacDonald
Thomas

-5

NAYS

Allan
(Haldimand-Norfolk)
Allen
(Middlesex South)
Auld
Belanger
Boyer
Brown
Brunelle
Bukator
Carruthers
Cass
Cathcart
Cecile
Connell
Cowling
Daley
Davis
Dymond
Edwards (Perth)
Evans
Frost
Fullerton
Gibson
Gomme
Goodfellow
Grossman
Guindon
Hall
Hamilton
Hanna
Harris
Haskett
Hoffman
Innes
Janes
Johnston (Carleton)
Lawrence
Letherby
Lewis
Macaulay
Mackenzie
MacNaughton
Manley
Morningstar
Morrow
McNeil
Newman
Nixon
Noden
Oliver
Parry
Price
Reaume
Robarts
Roberts

NAYS

Rollins
Root
Rowntree
Sandercock
Simonett
Singer
Sopha
Spence
Spooners
Stewart
Sutton
Thompson
Trotter
Troy
Wardrope
Warrender
Whicher
Whitney
Wintermeyer
Worton
Yaremko

-75

Mr. Speaker: I declare the amendment to the amendment lost.

We will now vote on the amendment moved by Mr. Wintermeyer.

All those in favour of the amendment will please say "aye".

Those opposed will please say "nay".

The amendment to the motion was negatived by division as follows:

YEAS

Belanger
Bryden
Bukator
Davison
Gibson
Gisborn
Innes
MacDonald
Manley
Newman
Nixon
Oliver
Reaume
Singer
Sopha
Spence
Thomas
Thompson
Trotter
Troy
Whicher
Wintermeyer
Worton

-23.

NAYS

Allan (Haldimand-Norfolk)
Allen (Middlesex South)
Auld
Boyer
Brown
Brunelle
Carruthers
Cass
Cathcart
Cecile
Connell
Cowling
Daley
Davis
Dymond
Edwards (Perth)
Evans
Frost
Fullerton
Gomme
Goodfellow
Grossman

NAYS

Guindon
Hall
Hamilton
Hanna
Harris
Haskett
Hoffman
Janes
Johnston (Carleton)
Lawrence
Letherby
Lewis
Macaulay
Mackenzie
MacNaughton
Morningstar
Morrow
McNeil
Noden
Parry
Price
Robarts
Roberts
Rollins
Root
Rowntree
Sandercock
Simonett
Spooners
Stewart
Sutton
Wardrope
Warrender
Whitney
Yaremko

-57.

Mr. Speaker: We will now vote on the motion moved by Mr. Lawrence.

All those in favour of the motion will please say "aye".

Those opposed will please say "nay".

The motion was carried on the following division:

YEAS

Allan (Haldimand-Norfolk)
Allen (Middlesex South)
Auld
Boyer
Brown
Brunelle
Carruthers
Cass
Cathcart
Cecile

NAYS

Belanger
Bryden
Bukator
Davison
Gibson
Gisborn
Innes
MacDonald
Manley
Newman
Nixon
Oliver

YEAS

Connell
 Cowling
 Daley
 Davis
 Dymond
 Edwards (Perth)
 Evans
 Frost
 Fullerton
 Comme
 Goodfellow
 Grossman
 Guindon
 Hall
 Hamilton
 Hanna
 Harris
 Haskett
 Hoffman
 Janes
 Johnston (Carleton)
 Lawrence
 Letherby
 Lewis
 Macaulay
 Mackenzie
 MacNaughton
 Morningstar
 Morrow
 McNeil
 Noden
 Parry
 Price
 Robarts
 Roberts
 Rollins
 Root
 Rowntree
 Sandercock
 Simonett
 Spooner
 Stewart
 Sutton
 Wardrope

NAYS

Reaume
 Singer
 Sopha
 Spence
 Thomas
 Thompson
 Trotter
 Troy
 Whicher
 Wintermeyer
 Worton
 -23.

YEAS

Warrender
 Whitney
 Yaremko
 -57.

Mr. Speaker: I declare the motion carried:

Clerk of the House: RESOLVED that an humble address be presented to the Honourable, the Lieutenant-Governor, as follows:

TO THE HONOURABLE J. KEILLER MACKAY,
 DSO, VD, LL.D, LIEUTENANT-GOVERNOR
 OF THE PROVINCE OF ONTARIO

We, Her Majesty's most dutiful and loyal subjects, the Legislative Assembly of the province of Ontario now assembled, beg leave to thank Your Honour for the gracious speech Your Honour has addressed to us.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before moving the adjournment of the House, tomorrow we will take anything that is on the order paper and after dealing with routine matters there, we will introduce the estimates of The Department of Commerce and Development for the purpose of receiving a statement from the hon. Minister (Mr. Macaulay) concerning the economic condition of the province, which will be a prelude to the budget which will be brought in on Thursday. Of course, Wednesday is committee day and the House will not sit. We will not deal with the individual items of the estimates of the department; it is just a method by which the hon. Minister can give an economic review of the province, prior to the budget.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 6.25 o'clock, p.m.





ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, February 27, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
TORONTO
1962



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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, FEBRUARY 27, 1962

The House met at 3:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery, Earl Haig Secondary School, Willowdale, Christian Endeavour High School Group, Ridgeway, and St. Paul's Cathedral Bible Study Group, London; and in the west gallery, Dewson Street Public School, Toronto and Burnamthorpe Public School, Cooksville.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I have here a message from the Honourable the Lieutenant-Governor (Mr. Mackay) signed by his own hand.

Mr. Speaker: The Honourable the Lieutenant-Governor transmits estimates of certain sums required for The Department of Economics and Development for the year ending March 31, 1963, and recommends them to the Legislative Assembly, Toronto, on February 27, 1962.

Mr. Speaker informed the House that the clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the adjournment of the House:

Electoral district of Renfrew South: Leonard Joseph Quiltey.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-first day of November, 1961, issued by the Honourable the Lieutenant-Governor of the province of Ontario, and addressed to John S. Findlay, Esquire, returning officer for the electoral district of Renfrew South, for the election of a member to represent the said electoral district of Renfrew South in the Legislative Assembly of this province, in the room of James A. Maloney, Esquire, who, since his election as representative of the said electoral district of Renfrew South, hath departed this life, Leonard Joseph Quiltey, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the twenty-second day of February, 1962, which is now lodged of record in my office.

(signed)
Roderick Lewis,
Chief Election Officer.

Toronto, February 27, 1962.

Leonard Joseph Quiltey, Esquire, member for the electoral district of Renfrew South, having taken the oaths and subscribed the roll, took his seat.

Hon. Mr. Robarts: Mr. Speaker, before the petitions, I would like, on behalf of the government, to extend a welcome to the hon. member for Renfrew South (Mr. Quiltey). I might not have wished it this way before, but now that he is here I am delighted to see him and I hope that his time here will be gratifying to him.

I hope that he will be able to serve the people of that great riding he is going to represent in the manner in which they were served by his predecessor.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. M. Hamilton (Renfrew North), in the absence of Mr. G. E. Gomme (Lanark), presented the second report of the standing committee on private bills which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr5, An Act respecting the Town of Hearst.

Bill No. Pr12, An Act respecting Ontario Co-operative Credit Society.

Bill No. Pr19, An Act respecting the City of Windsor.

Bill No. Pr21, An Act respecting the City of Ottawa Separate School Board.

Bill No. Pr24, An Act respecting the Ontario Registered Music Teachers' Association.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr2, An Act respecting the Village of Erie Beach.

Bill No. Pr16, An Act respecting the Town of Oakville.

Your committee would recommend that the fees less the penalties and the actual cost of

printing be remitted on Bill No. Pr4, An Act respecting the Queen Elizabeth Hospital for Incurables, Toronto.

Mr. Speaker: Motions.

Hon. W. A. Stewart (Minister of Agriculture) moves that the order referring Bills Nos. 49 and 50 to the committee of the whole House be discharged and that these bills be referred to the committee on agriculture.

Motion agreed to.

Mr. F. R. Oliver (Grey South): May I ask the hon. Minister, is it the intention to have these bills discussed at Guelph tomorrow, is that my understanding? And further, is it the intention to have them finalized and a vote taken on the principle of the bill at this meeting in Guelph tomorrow?

My purpose in asking that, if I may elaborate, is that a number of us who are vitally interested in these particular bills will not be able, for various reasons, to be in Guelph tomorrow. It would seem to me that while some discussion of the bill might properly take place tomorrow, there might be a further meeting of the committee here in the building where all the hon. members would find an opportunity to attend, rather than try to finalize it tomorrow when many of us cannot be there.

Mr. D. C. MacDonald (York South): Mr. Speaker, if I might just add to what the hon. member for Grey South (Mr. Oliver) has said. I am another member of the committee who is intensely interested in these bills and will not be able to get out to Guelph. There are about three other things to be looked after back here at Queen's Park.

Hon. Mr. Robarts: We can very easily arrange to have these bills presented to the whole committee at some later time and then brought back to the House.

Hon. Mr. Robarts moves that when this House adjourns the present sitting thereof it do stand adjourned until Thursday next at 3:00 o'clock, p.m.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE BEES ACT

Hon. W. A. Stewart (Minister of Agriculture) moves first reading of bill intituled, An Act to amend The Bees Act.

Motion agreed to; first reading of the bill.

THE CO-OPERATIVE LOANS ACT

Hon. Mr. Stewart moves first reading of bill intituled, An Act to amend The Co-operative Loans Act.

Motion agreed to; first reading of the bill.

THE HORTICULTURAL SOCIETIES ACT

Hon. Mr. Stewart moves first reading of bill intituled, An Act to amend The Horticultural Societies Act.

Motion agreed to; first reading of the bill.

THE ONTARIO WATER RESOURCES COMMISSION ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Ontario Water Resources Commission Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Cass: Mr. Speaker, this is a housekeeping Act and it provides among other things for the investment of moneys by the commission in the Province of Ontario Savings Banks and also for certain by-laws which may be passed by municipalities.

THE ASSESSMENT ACT

Mr. D. C. MacDonald (York South) moves first reading of bill intituled, An Act to amend The Assessment Act.

Motion agreed to; first reading of the bill.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, before the orders of the day, I beg leave to present the report of the Public Lands Investigation Committee, 1959.

The Public Lands Investigation Committee was formed by the former Minister of Mines, the late James A. Maloney, and me under the authority of an Order-in-Council made in 1959. The committee was formed to inquire into, investigate and make recommendations in respect of the disposal of public lands under The Mining Act and The Public Lands Act and to hold public hearings for the purpose.

Public hearings were held at Peterborough, Parry Sound, Haileybury, Kirkland Lake, Timmins, Sudbury, Sault Ste. Marie, Port Arthur, Kenora and Toronto. Numerous organizations and individual persons

appeared before the committee and presented briefs and presentations were also submitted to the committee by mail.

The report consists of two parts. Part I deals with The Mining Act and the disposition of public lands for mining purposes. Part II deals with The Public Lands Act and the disposition of public lands for purposes other than mining. The departments concerned with the report are now studying the recommendations therein contained and I am hopeful that some of the recommendations will be implemented by legislation introduced during this session of the House. Some recommendations may require such deliberation and study that they cannot be acted upon during the time this session is sitting.

Some copies of the report will be placed in the legislative library and in due course copies will be placed on the desk of each hon. member of this Legislature.

Hon. L. P. Cecile (Minister of Public Welfare): Mr. Speaker, before the orders of the day, I am pleased to announce that special cheques in the amount of \$10 will go out before the end of the month, that is today, to approximately 40,000 persons who qualify for old age assistance, disabled persons' allowances and blind persons' allowances.

This is, of course, in addition to the regular cheque of \$55.

Since the legislation received Royal Assent February 15, I am indeed gratified that we have been able to provide the full \$65 during the current month.

Mr. A. E. Thompson (Dovercourt): Mr. Speaker, could I ask the hon. Minister of Public Welfare (Mr. Cecile) a question? Will the people in Metropolitan Toronto receive the full \$10 a month or will some be taken from those who are on welfare? Will it be taken away from them, some of the \$10?

Hon. Mr. Cecile: Mr. Speaker, I am afraid I did not understand the hon. member; maybe my hearing is not too good. If there is a question, I trust that the Metro people could answer it better than I. However, if the hon. member will table the question, I will obtain the information and let him know.

Hon. J. Yaremko (Provincial Secretary) begs leave to present to the House the following:

The report of the provincial auditor on the Public Service Superannuation Fund for the year ending March 31, 1961.

The report of the provincial auditor on the Public Service Retirement Fund for the year ending March 31, 1961.

Hon. H. L. Rowntree (Minister of Transport): Mr. Speaker, before the orders of the day, I would like to give the answers to two questions which the hon. member for Wellington South (Mr. Worton) sent to me earlier today.

Question No. 1 is as follows: what rents does The Department of Transport pay for driver examination centres in Brantford and in London?

Question No. 2: who are the landlords?

In answer to these questions I would say at the outset that The Department of Transport does not pay rental for any driver examination centres. All leases are negotiated and signed by The Department of Public Works and rents are paid by The Department of Public Works. After due inquiry and investigation I have this information to give to the hon. member and to the House.

The centre at Brantford is located at 221 Greenwich Street; it is owned by the Welsh Fuel Company Limited and the rental paid is \$80 monthly for some 450 square feet or \$2.13 per square foot per annum.

The premises in London, Ontario, are located at 410, 3rd Street, I believe. They are owned by Piccadilly Holdings Limited and the rental in London is \$280 monthly for some 1,500 square feet or \$2.24 per square foot per annum.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, before the orders of the day, I rise on a point of personal privilege.

Yesterday, the Chief Commissioner of the Liquor Control Board, the hon. Minister from St. Andrew (Mr. Grossman) accused me of misleading this House in respect of statements I made here on December 14, 1961. Specifically he suggested that I had made representations to the Liquor Control Board on behalf of persons he claims were clients of my law office. I specifically, sir, repudiate these allegations.

Unfortunately, there is a tendency in a law office to refer to all persons who attend therein as clients. The group to which he referred approached me in my capacity as member. The representations I made to the Liquor Control Board were made in my capacity as a member. I received no money; my law firm received no money; there was no expectation or arrangement that I receive any payment in any form. Moreover, I made all this

clear in my statement of December 14, 1961, and my remarks can be found at page 477 of *Hansard*.

The hon. Minister knew this before he spoke, but he chose to ignore it.

Mr. Speaker, before the orders of the day, I should like to address a question to the hon. Minister of Economics and Development (Mr. Macaulay). It is as follows:

Recent news reports have referred to the preparation and publication of a report by the federal government as to the feasibility of the development of an ocean port at Moosonee. The same reports have said that in the view of the federal government such a development is not practicable. My questions are as follows, sir:

1. Has the government of Ontario obtained a copy of this report?
2. If so, does it intend to table it in this House?
3. Does the government agree with the contents of the report?

Hon. R. W. Macaulay (Minister of Economics and Development): Mr. Speaker, in response to the question asked by the hon. member for Sudbury (Mr. Sopha), I would advise him that on November 27, 1961, at page 43 of *Hansard*, the same question was asked by the hon. member for Nipissing (Mr. Troy) and I at that time gave a rather lengthy answer.

Secondly, last Thursday, on February 22, at page 549, the same question was asked by the hon. member for Nipissing and I again gave an answer.

It strikes me as perhaps imponderable common sense if the hon. member would look in *Hansard* or attend in the House he would know the answer to these questions.

Mr. B. Newman (Windsor-Walkerville): Mr. Speaker, before the orders of the day, I have a question directed to the hon. Minister of Public Works (Mr. Connell), which has been given to him.

On page 211 of *Hansard*, December 5, 1961, the hon. Minister reported tenders were going to be called for the construction of a tourist reception centre at Windsor. Would the hon. Minister please answer the following questions:

1. Have tenders been called for the above construction?
2. If so, when is construction to commence?
3. When is it expected that construction will be completed and the centre opened?

Hon. T. R. Connell (Minister of Public Works): Mr. Speaker, I would like to thank the hon. member for Windsor-Walkerville (Mr. Newman) for notice of this three-part question which might be answered:

First question: No.

Second question: Not applicable.

Third question: As soon as possible.

However, I would like to amplify these answers in this way. I am sure that the hon. member will realize that we did not want to repeat our customary tourist reception centre design—which was in the first place designed for an open highway setting—in front of the city of Windsor's distinguished new city hall. We have therefore gone to considerable pains to design a prestige building in a park-like setting.

We have considered the architecture of the new city hall and my officials consulted with Windsor city officials last week on the design, traffic flow and other problems. I might say that the Windsor officials are delighted and entirely complimentary, as I hope the people of Windsor will be when the building is completed. Working drawings are now being prepared in our drafting room and tenders will be called in April.

It will be impressed upon the successful contractor that the building is needed as soon as possible and we trust it will be in service for a good portion of this tourist season. I hope to come to Windsor and turn the building over to the hon. Minister of Travel and Publicity (Mr. Cathcart) this summer. Meanwhile, may I point out Windsor will continue to be served by twice as many reception centres as any other point of entry.

Mr. Newman: I thank the hon. Minister.

Mr. Sopha: Mr. Speaker, on a point of privilege, my colleague to my right and I have had the opportunity to look at the reference made by the hon. Minister of Economics and Development, and I assert through you, sir, to him, that there has been no previous question of this nature asked and no previous answer given. It is typical of his contempt for the House and for the hon. members on this side that he answers in that fashion.

Mr. Speaker: Before proceeding with the orders of the day I ask permission of the House to revert to motions.

Hon. Mr. Robarts moves that when this House adjourns the present sitting thereof, it stands adjourned until 2.00 of the clock

on Thursday afternoon, and not until 3.00 as in the motion submitted earlier.

Motion agreed to.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, may I ask the hon. Prime Minister whether or not there will be a Thursday night sitting this week?

Mr. Speaker: Orders of the day.

House moves into committee of supply, Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF ECONOMICS AND DEVELOPMENT

Hon. R. W. Macaulay (Minister of Economics and Development): Mr. Chairman, this year we are embarking on a new course in presenting to the hon. members of this House the estimates of The Department of Economics and Development by presenting to the House a statement on the Ontario economy, separate from the budget which will follow as presented by the hon. Provincial Treasurer (Mr. Allan) on Thursday. In the past a brief review of economic trends has been incorporated in the hon. Provincial Treasurer's budget statement.

As Minister of Economics and Development, charged with the responsibility of directing the government's policies in the field of industrial and economic development, it seemed advisable that I should render to the House a fuller statement on the economic health of our province, and it seemed that perhaps the best time to do this was immediately preceding the budget, which will be delivered by the hon. Provincial Treasurer on Thursday.

It is not my intention to discuss here the government's financial policies or programmes. These will be outlined in the hon. Provincial Treasurer's budget statement. My task, primarily, is to review current trends in the Ontario economy and to outline the framework within which the government's programme has been formulated.

The economic situation in which we find ourselves has been brought about by the conjuncture of several basic economic forces operating throughout the world. The interaction of these forces, many of which had their origins in the early post-war years, has created an entirely new environment in which our economy must function. To place the Ontario picture in perspective, it is essential that we understand the nature of these changes and their impact on Canada and Ontario.

Foremost among these developments has been the reconstruction and revitalization of the industrial economies of western Europe and Japan. In the immediate post-war period, there was general acceptance of the need to rebuild the shattered economies of the war-devastated nations. The establishment of a viable system of international trade and the facilitation of the flow of capital and resources throughout the world were considered essential. To accomplish these ends, a series of far-reaching international agreements were signed, including the establishment of the International Monetary Fund and the General Agreement on Tariffs and Trade.

These are known as the IMF and the GATT arrangements and I am preparing short layman descriptions of how these operate. I will have them available for hon. members of the House, I hope, before too long.

The western European nations and Japan developed a variety of economic controls and devices to assist the rebuilding of their industries. These included quotas and high import tariffs, exchange restrictions, export credits and various controls designed to channel investment into selected industries. The United States and Canada gave direct assistance to a number of these nations to help them through the difficult period of reconstruction.

The remarkable recovery of these countries is now a matter of record. It has become somewhat fashionable to quote their recent rates of growth against our rate of expansion in Canada. Such comparisons are apt to be misleading, for the period of our most rapid expansion occurred earlier when they were engaged in the restoration of their productive capacity. It was inevitable that their later expansion would bring about changes in world trade patterns and cause some maladjustment in the North American economy.

As a result largely of these developments in Europe and Asia, the period since 1955 has been characterized by the emergence of strong competition in world markets. The manufactured goods of the United States and Canada have in many cases lost their competitive advantage to the products of modern low-cost industries in western Europe and Japan. Products which contain a high-labour content were most vulnerable to this foreign competition because of the lower wages prevailing outside North America. One of the results has been the introduction of more highly specialized machinery and automated techniques into North American industries. This development, which is common to both

the American and Canadian economies, has reduced the number of production workers necessary in our factories and has resulted in a higher level of unemployment.

In response to the competitive pressures in world markets, western European countries, in particular, recognized the weakness inherent in a limited domestic market.

I might say that this is something that I do not think we have yet realized in this country.

From the first years of the post-war period, plans were being made for some form of European economic integration. The earlier successes of the Benelux Economic Union—Belgium, the Netherlands and Luxembourg—and the success of the European Coal and Steel Community paved the way for negotiations leading to the establishment of the common market. These talks reached fruition with the signing of the Treaty of Rome on March 25, 1957—this was the beginning of the common market when Italy, France, Belgium, the Netherlands, Luxembourg and the Federal Republic of Germany joined.

Briefly, the aim of the European Common Market countries was to remove all barriers to the free movement of goods, capital and labour between the members. That is to say, it was designed that they should have no tariffs in between their member nations and that labour and capital should be able to move freely between these countries, but they would establish a common set of economic policies and erect a common tariff around their outside against non-member nations.

The basic underlying conception was to create a vast market, rivalling the largest in the world. Actually the market possesses something in the neighbourhood of 300 million consumers, larger than the United States market. Their desire was to create this vast market capable of supporting large-scale industries employing the most modern techniques of production, so that in the end, Mr. Chairman, the economies of the six nations would be welded into a single economic unit of great power.

In reaction to the development of the common market, seven trading countries in western Europe outside the new entity, the United Kingdom, Norway, Sweden, Denmark, Portugal, Switzerland and Austria, formed the European Free Trade Association. However, it was recognized that this was only a partial answer to the problem of dealing with the common market. The continued existence of this organization has been threatened

by the decision of the United Kingdom and Denmark to apply for entry into the common market. Since this is likely to be followed by similar action from several other countries, this threat is a very real one.

The establishment of the common market and the possibility of Britain's entry into it poses several problems for North America as a whole and Canada in particular. The growing strength of the western European nations will undoubtedly increase the competitive pressures on Canadian and Ontario manufacturing industries and there is a strong possibility that Canada will lose the Commonwealth preferences it now holds in the British market.

These would be best described by saying that our exports to Great Britain fall approximately 95 per cent in an area where there is no tariff; and some 5 to 10 per cent in an area where there is a tariff, but there is an advantage given to those members of the Commonwealth. Were Great Britain to join the common market, these preferences in many ways would be lost. However, it is worth noting that the common market is also basically interested in our raw material exports. So while on the short run the effect on our exports may not be as severe, in the long-run, certainly in terms of the finished product, it may be severe.

Although the effects of this may take place gradually, there are painful adjustments in prospect for Canada and Ontario, especially for some manufacturers who now have export markets in the United Kingdom. However, the prospects of a stronger and larger European Common Market also offer challenging opportunities. As standards of living rise in western Europe, there will be larger potential markets and greater opportunities for exporters of consumer goods as well as industrial raw materials.

Beyond the immediate effects on our trade by the formation of the European Common Market is the probability of the concept of the common market being utilized in other areas in the world.

That is to say, this is a concept which is attractive to Europe and it is now in the initiation stages in other areas of the world.

For example, a common market is in the process of being formed involving several of the countries in Central and South America. There is a general recognition throughout most of the world that national economies are no longer sufficient to support the technically advanced large-scale industries of the present day. These developments raise problems which are of particular importance to the

continued growth and expansion of Canada and Ontario.

In the face of the powerful economic units which are developing in all parts of the world, Canada must reassess its own trading position and consider what adjustments or basic realignments are necessary to take advantage of the wider economic horizons that are developing. I shall be announcing on behalf of the government our plans to combat this tendency in a few days.

Since our economy has always depended on the international movement of goods, it would be unrealistic to try to isolate ourselves from the main currents of world trade. The result of the negotiations between the United Kingdom and the common market will make the alternatives open to Canada much clearer. Each of them will have to be studied carefully and decisive action taken to ensure that our economy will have the best possible opportunity for rapid growth in an international context.

While attention has been focused on developments in Europe there is no denying the fact that the level of Canada's economic activity is to a large part determined by the rate of economic progress in the United States.

The importance of the United States to Canada's economy is best illustrated by an examination of the trade figures. Traditionally, the United States has supplied the market for almost 60 per cent of Canada's exports while almost 70 per cent of our imports are purchased from that country. Recently the percentage of our total merchandise trade which is accounted for by our trade with the United States, has been declining as trade with the European Common Market countries, other western European countries, eastern European and Asian countries has taken on increased importance. Nevertheless, the United States is our major trading partner and will continue to be so in the foreseeable future.

The impact of the American economy on Canada and Ontario is even greater than the trade figures would tend to suggest. This has been caused, in part, by the flow of investment capital into Canada from the United States, the import of technical know-how, managerial skills, product design and a host of other factors. Another important facet of the relationship between the two countries is, of course, the cultural impact of the United States on Canada. As a result of these influences the Canadian economy and, indeed, the Canadian way of life, reflect many of the dominant trends in American society.

The dramatic changes in the economic relationships within the western world have had no less impact on the United States than they have had on Canada. In the last few years the United States has been faced with a mounting deficit on its balance of international payments, a slow-down in its rate of economic growth and mounting unemployment caused by increased competition and the impact of automation.

In recognition of these economic problems, the Kennedy administration has proposed an entirely new programme that would give the President authority to negotiate a reduction or elimination of tariffs on those goods for which the United States and the common market account for 80 per cent of world trade. On all other goods the President would be given the power to negotiate tariff reductions of up to 50 per cent. An important and complementary aspect of President Kennedy's proposal is that provision will be made for the retraining of workers in those industries which would be adversely affected by European imports. Thus, the proposals recognize the need to cushion the industries most severely injured in the transitional period.

This bold approach to changing conditions has been taken in recognition of the long-run opportunities inherent in the strengthening of the economies of the major trading nations in the western world. If this progress and programme is given approval, it will drastically alter the long-standing tariff policy of the United States. This will have a significant impact on Canadian trade relations both with the United States and the European Common Market. Even if the full effect is not realized, changes will occur that will profoundly alter the trading conditions under which we operate.

The present economic situation in the United States should also be outlined briefly since it has a direct bearing on conditions in Canada and Ontario. After four years of sluggish growth, the United States made a strong advance in 1961, pausing only in September when sporadic strikes in the automotive industries arrested production. Since then the economy has moved forward, reaching new peaks in production and income.

The only signs of weakness in the American economy during the year were the relative hesitancy in consumer demand and continuing unemployment. Total retail sales showed no real signs of advance until the last two months of the year. Unemployment remained well above official objectives throughout the year and gave cause for concern in the United States. The seasonally

adjusted rate was about 6.8 per cent during the first 10 months. There was a drop in November to 6.1 per cent at which level it remained in December. This was, a percentage or two, it might be pointed out, above that prevailing in Ontario.

On balance, economic conditions in the United States were favourable in 1961 and the major economic indicators point to continuing expansion in 1962.

I would like if I might, Mr. Chairman, to refer to the impact that the present economic condition has had on Canada and on the province of Ontario.

I should like to turn to the changes that have taken place in the Canadian economy, which by their nature have had a telling effect on the development and growth of Ontario.

In the post-war period the Canadian economy has undergone one of the most rapid periods of growth in its history. During this period of growth the shape and nature of the Canadian economy have been profoundly altered.

Underlying most of the developments that have taken place has been the change in the living and working habits of the Canadian population. A simple rural-urban breakdown of the population gives no indication of the fundamental changes that have occurred. Not only is a larger proportion of the population living in our cities and metropolitan areas, but the rural environment has been altered considerably. More than one million workers were engaged in agriculture in 1941, representing 32 per cent of the total labour force. By 1951 only 800,000 workers were engaged in this field of endeavour, representing 20 per cent of the total labour force, and by 1961 this had dropped still further and has gone down to 11 per cent.

The shift of the labour force away from agriculture has been occasioned by increased mechanization on the farm, the growth in our urban centres and the spectacular expansion of our manufacturing and service industries, as well as a change in merchandising techniques and patterns.

Another important development has been the enlargement of the domestic market resulting from natural increases in population, large-scale immigration and rising personal incomes. The creation of a larger domestic market has, in turn, attracted capital investment into the secondary manufacturing sector, and these industries have become increasingly oriented towards serving this market. More recently, the slowdown in population growth, caused mainly

by declining immigration, has reduced the rate of market growth.

In the immediate post-war years the expanding Canadian industries were not subject to competition from industrial nations other than the United States. Therefore, Canadian manufacturing was influenced solely by American competition. We specialized in certain fields and imported costly components and capital goods from the United States. In the process, the Canadian manufacturing industry became a smaller scale model of American production, a trend accelerated by the establishment of branch plants to produce goods for our domestic market.

At the same time, world demand for both raw materials and manufactured goods encouraged the export of Canadian primary products and secondary manufactures. With the recovery of the industrial economies outside North America our exports made difficult headway. For a time this development did not seriously impinge on our industrial growth as the burgeoning domestic market was able to absorb the output of our factories.

The growth in the domestic market and the expansion of the industries supplying this market have tended to reduce the importance of foreign trade to our national economy.

Actually we seem to have lost our sense of urgency as an exporting nation and we are convinced in this government that there is a great deal that can be done to revive this sense of urgency. We must be an exporting nation if we are to remain healthy and generate a vibrant economy. Our domestic market is too small to sustain the standard of living we desire for ourselves.

In the period 1927-30 exports of goods and services accounted for about 29 per cent of the gross national expenditure in volume terms. In the 1957-60 period exports amounted to about 23 per cent of the gross national expenditure. This was a drop therefore of approximately 6 per cent and was a serious decline. Nevertheless, this is a far better ratio than in most other nations and more than four times better than that of the United States. Canada is particularly vulnerable to fluctuations in international trade patterns because of its heavy reliance on the export of raw materials and foodstuffs which are subject to wide variations in world prices.

In the period since 1957 a new set of factors has been introduced resulting in a series of dislocations and adjustments in the

make-up of our economy. Between 1955 and 1957 Canada reached the apex of a capital investment boom. Even though investment was maintained at a relatively high level in 1958, it ceased to provide the same stimulus to growth. As a percentage of the gross national product, investment declined from 27 per cent in 1957 to 22 per cent in 1960. This again was a significant drop.

Concurrently, our domestic markets were beginning to feel the effect of imports from western Europe and Japan. These factors were accentuated by a slow-down in the rate of growth in consumer demand and by several sharp downturns in our economy triggered by recessions in the United States. This combination of factors has had a depressing effect upon the rate of growth of our economy which since 1957 has increased by about 2 per cent a year. As a result, unemployment has edged slowly upwards from 3.4 per cent of the work force in 1956 to 7.3 per cent in 1961. In January 1962, the seasonally adjusted unemployment rate was 6.3 per cent in Canada and 4.2 per cent in Ontario—4.7 per cent, excuse me.

One of the dominant factors in post-war economic development has been the expansion of Canada's trade. In the 16-year period ending in 1961, merchandise exports increased two and a half times while imports more than tripled.

So our exports were up in this period about 250 per cent and our imports were up about 300 per cent. This is what has prompted us in The Department of Economics and Development to tackle the problem of import replacements by Canadian production, which I will be discussing when we continue with the estimates of the department.

As a result of the more rapid increase in imports, surpluses on merchandise account occurred only twice during the 1950's, the last one in 1954. In the past two years, however, this deficit was considerably reduced and in 1961, for the first time in seven years, we expect a small surplus.

Although the expansion of our trade with continental Europe and Asia has been a notable feature of the last year or two, Canada's international trade has continued to be strongly oriented to the United States. Since 1948 our exports to the United States have never been less than 50 per cent of our total exports to all countries, and in 1950 were as high as 65 per cent. Last year, they were just over one-half of all our exports. If the United States has been our most important customer, it has been even more important as a supplier of imports. Since the end of

World War II, the United States has been the source of 66 to 77 per cent of all the imports brought into Canada. Although the relative importance of the United States as a source of our imports has been declining, it still supplied Canada with 66 per cent of its total imports in 1961.

In short, 50 per cent of our exports of Canada go to the United States and of our imports into Canada 66 per cent come from the United States. This is not a favourable balance. However, the change in the premium on the Canadian dollar will have, and has had, a strong influence in this matter.

A similar trend has been exhibited in our trade with the United Kingdom. While both our exports to, and imports from, the United Kingdom have increased, they have not grown as rapidly as our total trade with all other countries. In the last decade our exports to the UK in relation to exports to all countries have ranged from 18 to 15 per cent while imports have been 9 to 11 per cent.

Therefore in the case of the United Kingdom we have had a favourable trade balance. We have exported to Great Britain more in value than we have imported from her.

Canada's trade with all other countries has become increasingly important. Exports to countries other than the United States and the United Kingdom represented about 20 per cent of the total in 1950 and rose to 31 per cent in 1961. On the import side a similar trend was evident. In 1961 these other countries supplied about 23 per cent of the total imports into Canada.

Again, this is a favourable trade balance. In short, we were exporting to nations other than Great Britain and the United States approximately 31 per cent of our total exports, and we were importing some 23 per cent from these same countries, leaving us with a favourable trade balance with these other countries. In fact on the over-all picture leaving us only with an unfavourable trade balance with the United States.

The increase in imports from the western European countries and Japan has had a more marked effect on our economic structure than the figures would indicate. This is because these imports have competed directly—and this is the important aspect of the point—they have competed directly with our domestically manufactured goods, whereas in the past, imports from the United Kingdom and the United States have complemented the manufacturing industries of Canada in the domestic market. It is, therefore, a relatively small increase in imports from these other industrial

nations which has caused much of the dislocation in Canadian secondary industry. This dislocation is caused not nearly as much by what nation or what per cent of an imbalance there is but more by what products are they that are causing the imbalance.

To summarize, we have traditionally had merchandise trade surpluses with all areas in the world except the United States. That is to say we have exported more to these countries than we have imported from them.

Our merchandise trade deficit with the United States as well as our deficit on tourist account are matters to which our people in this government will give increasing attention in the months ahead. In the last dozen years our annual merchandise trade deficit has rarely been less than \$.5 billion. This is in relation to the United States. In 1956 it reached a peak of nearly \$1.2 billion and last year was less than \$.75 billion—\$750 million—substantially less than in 1956 and 1957 but still a larger deficit than we would like to see. Our favourable balance of trade with other countries has enabled us to offset in part or in whole this deficit with the United States. And as I said earlier there is to be a very modest trade balance in our favour this year. It has gradually been reduced and in 1961 for the first time since 1954 we broke even because of our merchandise trade surplus with countries other than the United States.

The merchandise trade balance—this is as opposed to what you call an inflow of capital, merchandise are goods as opposed to capital—is only one element in our total balance of payments position. Owing to a combination of factors—the visits of Canadians to their former homelands and the increased propensity to take winter vacations in warmer climates—we have been experiencing a deficit on the tourist and travel account. It has been an outflow of dollars as opposed to an inflow or outflow of merchandise.

Added to this, our payments of interest and dividends on investments held in the United States and abroad are steadily increasing. As a result of these developments, we have experienced steadily rising deficits on our non-merchandise account from about \$600 million in 1956 to more than \$1 billion in 1961. In the six years 1956-61 inclusive, Canada's total balance of payments deficit with all countries amounted to \$7.75 billion, of which the deficit on merchandise account was approximately \$2 billion.

In short, we are not trading too badly. But we are spending extensively in cash, outside of Canada, on travel, interest account and in

dividend payments. Our balance of merchandising trading in the world—the outflow or inflow—is a very respectable record. But our tendency, because of our tourist account, is to spend a great deal of money outside of Canada. Further, our indebtedness is held partially outside of Canada, and the interest on this as well as dividends on equity stock in companies owned in Canada, means, naturally, a flow of Canadian dollars outside of Canada.

We have been able to sustain this outflow of capital from Canada by the inflow of capital into Canada, particularly from the United States. This inflow has taken many forms. The most significant of these has been direct investment by non-Canadians in the Canadian economy. This has been realized in establishment of branch plants, large-scale development of our natural resources, construction of new apartments, office buildings and other assets. In addition, many corporations, government agencies, have borrowed directly in the United States money markets and have brought this money back into Canada and this has tended to increase the imbalance of our capital flow.

The capital raised by these and other methods have allowed us to carry out our investment programmes and to import vast quantities of consumer and capital goods. Without this capital inflow, we could not have developed to the extent we have.

Mr. J. J. Wintermeyer (Leader of the Opposition): Would the hon. Minister explain that latter statement?

Hon. Mr. Macaulay: With an imbalance in our trade, that is importing more than we were exporting, and with an export of capital, it is necessary to have an import of capital and thus the money is generated within the economy. Because of the fact that we have had approximately a \$7.5 billion outflow, of which in effect only \$2 billion has been caused by merchandise and \$5.5 billion therefore in the outflow of capital in terms of tourist industry, interest on indebtedness, payments of dividends on capital, there has had to have been a comparable inflow of capital somewhere, to not only make up for the outflow of the capital but also as a means or an aegis through which we could develop our own economy.

There are, however, some problems which have their origins in the deficits we have accumulated year after year. We have seen a persistent growth in our net balance of foreign indebtedness which in 1961 amounted to about \$18 billion.

In short, the net amount we, as Canadians, owe outside of Canada, as opposed to the net amount which is owed to us from outside of Canada, is about \$18 billion.

We have had continuous pressure on the Canadian dollar. We have witnessed an increase in foreign ownership of our manufacturing industries and our natural resources.

These are problems which we must assess and face. These questions will be examined and studied by the Ontario Economic Council and I will outline some specific policies in respect to these questions at a later date. We cannot afford to dismiss these problems as being the responsibility of the federal government. They directly affect the Ontario economy and must be our concern also.

In general, 1961 was a good year. I might just say before passing to that, Mr. Chairman, that there has been some concern in the United States in relation to our recent policy relating to the premium on the Canadian dollar, but I will come to that in a moment, if I may.

Mr. K. Bryden (Woodbine): Is that all solved to the satisfaction—

Hon. Mr. Macaulay: We will talk about it in a moment.

In February, a year ago, the Canadian economy reversed the contraction phase and began to expand. The index of industrial production and the gross national product have since shown impressive gains. At the year's end, they were running approximately 6 per cent to 7 per cent higher than the corresponding period a year ago. Over the whole year the rise in the gross national product was slightly better than 3 per cent in value and somewhat more than 2 per cent in volume. Salaries, wages and other incomes reached record highs, while unemployment on a seasonally adjusted basis continued to decline, and by December was at its lowest level since November, 1959.

This is in relation to Canadian economy; the Ontario figures were lower than that and I will refer to them in a moment.

One of the most encouraging developments was the recovery in the durable manufacturing sector which by the end of the year was approaching the previous record level. Non-durable manufacturing established new records with each successive month after reaching a new peak in June. Mining production also showed considerable strength, led by the increased production of oil and natural gas in the western provinces.

During 1961, Canadian exports rose to an

unprecedented \$5.8 billion, 8 per cent higher than in 1960. Exports to the United States for the first part of the year were rather sluggish but strengthened in the second half as economic conditions improved. The major gain, however, resulted from increased trade with Europe, Japan, and China, reflecting large shipments of wheat and various other commodities. As imports rose more slowly than exports—5 per cent as against 8 per cent—our merchandise trade was brought into balance for the first time since 1954.

The expansion of economic activity was reflected more in terms of wholesale prices than in the consumer price index. Consumer prices held fairly stable throughout the whole year and on average were up only one per cent from 1960. On the other hand, the general wholesale price index moved up strongly as a result of the economic expansion.

Another highlight of the year was the sharp recovery in corporate profits and the steady rise in personal incomes. These did not have any marked effect on corporate investment or consumer spending, which tended to lag during the year, even though there were marginal increases over 1960. As a result, both corporate and personal savings increased. This is one of the most encouraging factors when considering the possibilities for 1962. With the recovery of confidence on the part of both investors and consumers we can anticipate increases in effective demand in all sectors of the economy making for an excellent year in 1962.

The advocates of certain policies seem to me to forget that investments, planned improvements, factory extensions and new industry are created out of someone else's savings. There would be nothing to invest had someone else not saved the money in the first place. Tomorrow's development comes from today's savings, and the fact remains that what one man spends another man must first have saved.

Canadian monetary and fiscal policies during 1961 were mainly directed at combating the mild slowdown in economic conditions which characterized most of 1960. The total supply of money in Canada advanced progressively throughout the year. As of December 27, 1961, it stood at \$15,076 million, an increase of 9.2 per cent over the previous year.

The overall easing in monetary conditions during 1961 was reflected by the entire structure of interest and money rates in Canada moving to fractionally lower levels.

The bank rate, set at a high of 3.59 per cent on January 5, reached the 1961 low of 2.5 per cent on August 31, and from then until the end of 1961 continued to rise, apart from a few isolated instances, closing the year at 3.24 per cent.

The exchange rates for the United States dollar and for the other foreign currencies in Canada were substantially affected during 1961 by declared policies and actions of the Canadian government. The federal hon. Minister of Finance in his budget address of June 20, 1961, announced the government's intention to add, if necessary, substantial amounts to official holdings of U.S. dollars through purchases in the exchange market in order to bring the Canadian dollar to a discount in terms of the U.S. dollar. The hon. Minister stated that this action was designed to facilitate an expansion of Canada's export trade, which it has done.

The reaction on foreign exchange markets to this announcement was immediate and significant. The average rate for the U.S. dollar in Canada, which had risen to a one per cent discount in June—compared with an average discount of some 3 per cent for the whole year 1960—advanced to a 4 per cent premium in early July. This was a complete reversal of about 9 points. Thereafter, the rate steadied to the level of a 3 per cent premium, but towards the end of 1961, the U.S. dollar again showed strength, rising to about 5 per cent.

Now there have been those who have written extensively in papers, economic papers, in the United States about the policy of the Canadian government in its desire to aid our export policy in relaxing the premium on the Canadian dollar. It is interesting to note that these people, who are very critical now of the government's policy in relation to the premium on the Canadian dollar, now that it affects them adversely, never said very much for many years that it affected us adversely while there was a premium on the Canadian dollar in terms of the American dollar. The matter is of great concern. One may well remember that it was the hon. members in the Liberal Opposition who several years ago asked the then hon. Prime Minister of Ontario (Mr. Frost) why he did not try to do something to bring the premium on the Canadian dollar down.

Mr. Wintermeyer: Is the hon. Minister referring to Baron's article—

Hon. Mr. Macaulay: I am referring to—certainly what I have to say fits Baron's article.

Easier credit combined with the imposition of the 15 per cent withholding tax on new Canadian bond borrowings in the United States of America payable in U.S. currency, effective December 21, 1960, brought about a sharp reduction in this type of borrowing by Canadian companies and provincial and municipal governments during 1961. Total Canadian borrowings payable in U.S. funds in 1961 amounted to \$133,402,000, or 2.3 per cent of total Canadian bond financing, as compared with \$240,594,000, or 6.1 per cent in 1960.

Price improvement continued to characterize all sectors of the Canadian bond market during 1961. On average, federal, provincial, municipal and corporate bonds closed the year at levels of some 5 per cent above those prevailing at the same time last year. For example, the bid price of the 4.5 per cent Canada issue due September 1983 closed at \$93.25, as compared with \$88.25 in 1960 and \$84.00 in 1959.

In concluding this section on Canada we cannot help but be impressed by the changes in world production and trade patterns. We emerged from World War II with our productive facilities intact. These were expanded and modernized. The value of capital investment in relation to our gross national product far exceeded that of other western nations. The net effect was the creation of physical plant and equipment which required rapidly expanding sales to maintain operating efficiency.

As European and Asiatic countries restored their productive capacities and entered into world markets we were faced with marketing problems of increasing complexity. The slowdown in production, aggravated by the introduction of labour-saving equipment, created a deficiency in employment opportunities.

In the face of our growing work force the net result was a rising level of unemployment. The failure of the United States to maintain a vigorous rate of economic growth rendered our task even more difficult. Seasonal factors aside, Canada's ratio of unemployment has approximated that of the United States. Ontario's has been substantially less. We are now, however, in a new expansion with our economy gradually adapting itself to a changed world environment.

Up to this point I have concentrated upon the changing economic environment and the developments in the structure of the Canadian economy. My task now is to draw these threads together and relate them to the Ontario economy.

In many provinces a few enterprises or activities dominate, but this is not the case in Ontario. This province contains within it all the elements of the Canadian economy. Agriculture, forestry, mining, fishing, construction, manufacturing, trade, commerce and the services all contribute to production and employment. We have an extremely varied and diverse economy which encompasses nearly all fields of human endeavour.

The impact of the changing world economy and the internal structural shifts that have been underway in Canada are of immediate relevance to Ontario. The province's economy, because it forms such a significant part of the Canadian economy, is vitally affected by these developments. Indeed, in many cases, the changes that have occurred have been felt more strongly in Ontario than in the rest of Canada.

A primary illustration is the case of manufacturing. Ontario accounts for about one-half of all manufactured goods produced in Canada. The concentration in Ontario of industries engaged in the more advanced stages of processing is even higher, as two-thirds of the products of these industries are made here. It is these industries which have been most sharply hit by competition from western European and Asian countries and, therefore, Ontario's economy has been affected more than that of any other province. The changes in the structure of manufacturing in Canada have had their greatest impact on Ontario.

At the same time, we cannot ignore the implications of these changes on other areas in Canada. The prosperity of western farmers is vital to us since they are an integral part of the domestic market which we service. The construction of a natural gas or oil pipeline on the Pacific coast or of a hydro-electric power station in the Maritimes creates new markets for Ontario's industries. The well-being and prosperity of the whole of Canada are of vital concern to Ontario.

The province accounts for about 41 per cent of Canada's gross national product; over 40 per cent of the commodities produced in Canada are made here. Similarly, more than 35 per cent of the capital expenditures and 38 per cent of the retail sales are made in Ontario. Last year, the total value of mineral production in Ontario amounted to 37 per cent of the Canadian total and the province supplied almost 60 per cent of the value of metals and 40 per cent of the value of structural materials. In agriculture, the net value of farm produc-

tion accounted for 26 per cent of the Canadian total.

Ontario is the commercial and financial heart of Canada. The money for the exploration and development of resources and for the expansion of industry and trade is secured in our capital market. We provide a host of specialized services to all sectors and regions in Canada.

I have cited these figures simply to demonstrate the stake we have in the maintenance of a strong and growing Canada. It is in our best interest to promote the general expansion and development of our country. We cannot hope to solve the economic problems facing us today unless we play our part and contribute to policies designed to foster the prosperity of all Canadians.

I have already referred to the developing world economic trends and to the changing structure of the domestic market, both of which have had a marked effect on our economy. For the past twenty years, the rapid growth in the Canadian and Ontario populations has provided a rapidly expanding market for consumer goods. This is particularly true because a high percentage of the huge flow of post-war immigrants were young adults. These people required houses, appliances, furniture, automobiles and the whole range of durable goods which are necessities for North American families. Along with this high level of immigration, we experienced steadily rising birth rates. New industries were built up to provide baby and children's food, clothing, toys and household equipment.

Prosperity in western Europe has reduced the incentive of people in these countries to emigrate to Canada. In 1961 there were only about 72,000 immigrants to Canada and less than 37,000 to Ontario. This is the smallest flow of immigration since 1947, when shipping space was still scarce and our immigration regulations were tighter. Along with the reduction in immigration, there have been fewer marriages and births. Because the people who are now getting married and establishing families were born in the low birth rate years of the thirties, the number of marriages in Ontario as well as the marriage rate has been falling since the peak in 1958.

The changes in population trends resulting both from immigration flow and from the uneven age distribution of our population have had significant effects on the domestic market for consumer goods. The demand for housing and for infants' and children's goods has been increasing at a slower

rate. For the next few years, as these children advance in age, there will be a demand for teenage apparel, sports clothes and equipment and low-priced popular entertainment facilities.

We are not experiencing the rapid growth of the fifties, when Ontario's population increased by 3.1 per cent a year, and Canada's by 2.6 per cent. Nevertheless, in the period from June, 1960, to June, 1961, the Ontario population increased by 1.9 per cent, slightly under the national average of 2.0 per cent for the same period and much above the Ontario growth of 1.5 per cent per year for the first half of this century.

While there has been a sharp drop in population growth in the past year or two, this drop is temporary and the growth rate will turn up again by about 1965 when the young people born during and after World War II move into the family formation age groups. We must also remember that population growth is by no means slow; we are still growing at a slightly higher rate than that experienced in the United States over the past decade and a half and at a much more rapid rate than that of most European countries.

Growing population is not the only factor contributing to demand. In Ontario, our growing domestic market has been supported by steady increases in wage rates and incomes. For the past fifteen years there has been an increase in both total personal incomes and in per capita incomes. In this area too, however, there has been a slight slowdown in growth since 1957. Total personal income per capita increased at an average rate of 5.6 per cent a year from 1946 to 1957, while the average price increase in the same period was 4.2 per cent a year. In terms of actual purchasing power, therefore, per capita personal income rose by about 1.5 per cent a year. Since 1957 per capita personal income in real terms has risen by only 1.2 per cent a year.

Ontario's estimated per capita personal income reached \$1,855 in 1961, about \$25 higher than British Columbia's, the second wealthiest province, and well above the Canadian average of \$1,568. Ontario incomes were up 1.9 per cent from 1960, or, since consumer prices rose about one per cent over the same period, about one per cent per capita in purchasing power. While this is not a very substantial rise, the picture is actually more promising than the figures suggest since incomes were rising more rapidly in the latter half of the year.

Another factor that should be considered here is that population, particularly in the

younger age groups, has expanded more rapidly than the number of wage earners. Personal income per capita, therefore, does not reflect the tremendous gains in real income accruing to our working population. The fact that personal income per capita has increased despite the growth in the non-productive population demonstrates the basic vitality and strength of our economy. The actual purchasing power of the individual wage and salary earner has grown to a much greater extent than the figures quoted above would indicate.

In terms of retail sales, because real incomes have held up strongly, retail trade has been one of the stabilizing factors in our economy. The growth in population and the increasing requirements of an extremely young population have resulted in continuous rises in consumer spending. This growth has not been restricted to conventional trade outlets.

I spoke earlier of the changing structure of our manufacturing industries. In many ways, the changes in retailing have been even more spectacular. Since the war, the major changes have been the introduction of the supermarket, the expansion of chain stores, the construction of shopping centres in the rapidly growing suburbs and the emergence of the discount house.

Partly because of pressure on prices brought on by these new outlets and partly because we now have a buyer's market for consumer goods, firm prices for durables have tended to disappear. Sales and price cuts at the retail level have become the order of the day and shopping for price as well as for quality has returned. This is true not only domestically but is true internationally. For many years brand names were a major determinant in retail selling. As standards of performance and quality have become more uniform the differentiation of a brand image has blurred and in the buyer's market that has developed price has increasingly assumed its powerful influence in shaping the production and distribution pattern.

This does not mean that price can at any time be isolated from the quality of the product. More than ever before consumers are seeking trouble-free performance and serviceability. While this is a subject which calls for careful analysis and study in depth extending far beyond the references which I can make to it here today, the development of quality control techniques and the improvement in design constitute objectives at which Canadian and Ontario industry must constantly aim. This will be the specific study of a committee of the economic council.

Through the years we have had in Canada an expanding market as reflected in retail sales. Owing to a number of factors the retail sales in the first quarter of 1961 were slow but there was an upturn in the late spring and summer and then again at the end of the year. In total, retail sales in 1961 reached an all-time record of \$6,337 million, about half of one per cent above those in 1960. All signs point to continuing improvement in 1962.

The sales of grocery and combination stores, department stores and garages and filling stations have been showing the most notable increases. Sales of furniture, appliance and radio dealers have also been somewhat higher. Last year there was a marked decline in the value of motor vehicle sales, partly explained by the lower prices of North American compact cars which have been favourably received by the public.

Consumer credit continued to rise throughout 1961 and at the end of the year was substantially higher than it had been at the end of 1960. In this area, too, there was a sharp change in consumer habits. Most of the increase in credit outstanding over the year was in small loans from chartered banks. There were also small increases in department store credit and in cash loans of small loan companies.

Population and income are the major determinants of demand and establish the size of the domestic market for our productive industries. The most important of the productive industries is, of course, manufacturing. Manufacturing in Ontario provides today, as it has traditionally, half of the value of Canada's manufacturing output, almost half the country's employment in manufacturing and more than half of its salaries and wages. It is the largest single source of employment in Ontario and accounts for about two-thirds of the output of the province's goods-producing industry. The average size of manufacturing establishments in Ontario is larger than those in the rest of Canada in terms of numbers of employees, salaries and wages paid and the value of production.

The three leading industrial groups in size—iron and steel products, foods and beverages, and transportation—combined produce nearly half the total value of manufacturing output in the province. Yet, despite their importance, only one of them—iron and steel products—has been growing faster than Ontario's manufacturing industries as a whole.

In 1961 Ontario's shipments of manufactures are estimated at a record value of \$11,750 million. They have recovered from the sluggishness experienced in 1960 and

should exceed 1959—the previous peak year—by about one per cent. The upturn in manufacturing output in the province, in common with the upturn in the whole Canadian economy, began in the second quarter of 1961 and gained strength towards the end of the year. The extent of the recovery is indicated by the fact that the value of manufacturing shipments in the second half of 1961 was some five per cent above the second half of 1960, more than offsetting a decline in the early part of the year.

Despite increasing competition in the manufacturing field a number of Ontario's manufacturers have demonstrated that ingenuity and perseverance can pay off in developing export markets. I shall speak more of this matter during the estimates of the department.

The province's steel producers are encountering more success in exporting to the United States and Europe in the last two or three years.

An Ontario company manufacturing high fidelity equipment, concentrating on original design and high quality, is exporting goods worth approximately \$1 million to the United States and has recently started selling in Japan. An Ontario cement company last year expanded export sales to the United States and has equally good prospects this year.

Several other companies are exporting to the United Kingdom and western Europe. An increasing number of companies are exporting refrigerators, stoves and other appliances to African and eastern markets. Some automotive companies are manufacturing components for their parent companies in the United States. Wearing apparel is being sold in the United Kingdom and dental equipment in Sweden and West Germany.

These are but a few examples of the opportunities that exist for expanding exports to world markets. We are confident in the government that there is a tremendous field in the matter of exports and we will be discussing with the House very shortly the plans we have in relation to these matters.

The exceedingly rapid rate of population growth following World War II called for heavy capital investment to construct new homes, factories, roads, schools and numerous other physical assets. This capital investment was at an extraordinarily high level all through the post-war years, but reached its peak during the capital investment boom years of 1955-1957. In this last year capital investment in Ontario reached a level of almost

\$3.3 billion, 37.5 per cent of the national total and over 25 per cent of our total provincial product. This rate could not be maintained, and by 1959 it had dropped below \$3 billion at which level it has continued, still constituting about 35 per cent of the national total and over 20 per cent of the total provincial product.

The main reductions have occurred in manufacturing and in the national resource and construction industries. Part of the decline in private investment has been offset by an increase in the investment in government and institutional services and facilities, including schools, universities and hospitals. Total capital investment in manufacturing in 1961 of over \$500 million was concentrated largely in iron and steel manufacture, chemicals, foods and beverages, and paper products.

One of the brighter spots in construction activity in 1961 was the recovery in the housing sector. In the past year, 48,144 housing units were started and 43,754 new units were completed. While starts were up 13.9 per cent over 1960, new completions fell by more than 3,000 units, continuing a downward trend which began in 1958. 31,936 units were carried over in 1962 which, while higher than last year, is below the number of carryovers in 1958-59. In the light of present levels of population growth and family formation no good purpose could be served by inflating rates of residential construction, although there are areas which call for special consideration.

I shall deal with Ontario's new and bold housing programme at a later date.

Now in relation to agriculture, changing living patterns at home and abroad have made it more and more evident that our agricultural industry, as well as our manufacturing industry, must be both flexible and efficient. The increase in efficiency of agricultural operations has been remarkable in the post-war period as continual increases in agricultural production have been accomplished, as I have pointed out, with a greatly reduced work force. In 1961 there were only about half as many workers engaged in Ontario agriculture as there were in 1946. Increased mechanization, larger scale operations and more specialization have all contributed to this increased productivity.

Ontario's agricultural production in 1961 was slightly higher than in 1960. Farm cash income, estimated at \$895 million, was up 3 per cent above that in 1960 and at an all-time high. For all the principal field crops, yields exceeded the average of the past 10

years. Pastures were extremely productive all season. The volume of milk output showed a gain of about 3 per cent over that in 1960 while creamery butter production rose by more than 10 per cent. Estimates of live-stock on Ontario farms on December 1, 1961, indicate an increase of more than 5 per cent in the number of cattle and of almost 7 per cent in the number of sheep and lambs. There was a slight decline in the number of swine. The production of tobacco was estimated to be almost 5 per cent below the record crop harvested in 1960, when it was valued at \$109 million. With an output of some 197 million pounds, it was considerably above the average for the years 1956-1960. The value of fruit and vegetables was approximately \$10 million higher in 1961 than in the preceding year, when it stood at \$90 million. Output of apples alone amounted to 5.2 million bushels, a 39 per cent rise over the 1960 level. Considerable increases were also recorded for peaches, cherries, sweet cherries, plums and prunes.

With the increase in world trade it is becoming more and more evident that, in order to compete, our agricultural industries have to be efficient and offer the type and quality of product that the consumer, at home and abroad, demands. While the individual farmer is an expert at the primary level of agricultural production, his well-being also depends, to a large extent, on the practical application of scientific findings and of market research and organization.

The hon. Minister of Agriculture (Mr. Stewart) and I will be making reference to plans that we have relating to our joint effort to improve the agricultural industry in Ontario. This is a bold and imaginative programme, not only to encourage the saving of the family farm but to improve the marketing opportunities of our produce. And I shall refer to this also in more detail later during the passing of my estimates.

Now, in relation to activity in northern Ontario, the northern part of our province has always been a very significant source of wealth. Virtually all of our forestry and mineral resources are located in this area. These industries together with agriculture and tourism provide the main sources of employment and incomes for the people in the north. Since World War II these industries have been growing at about the same rate or slightly faster than the economy of the province as a whole. In the past year there were adjustments in some sectors of mining but production of most of our leading minerals was high, and forestry and the forest-based industries enjoyed a good year. Although primary

paper and sawmill production showed little change from 1960, the output of fine and specialty papers rose by 4 to 6 per cent.

The value of Ontario's mineral output in 1961 was estimated at \$948 million, a decline from the previous year when it stood at \$983 million. Substantial gains were made by several minerals, particularly iron ore, nickel and zinc. As was to be expected, production of uranium, although still ranking second, experienced a considerable decrease from \$212 million to \$157 million. All other minerals together showed an increase of 2.6 per cent, but this was not sufficient to compensate entirely for the \$55 million loss on uranium. The five major metals, nickel, uranium, copper, gold and iron ore together accounted for more than three-quarters of total output.

Demand for nickel was favourable last year in both the United States and Europe. Ontario's output for 1961 was estimated at \$301 million, 2.7 per cent higher than in the previous year. This all-time record was attained in spite of the fact that the United States steel industry—the major buyer of our nickel—was operating at well below its capacity. An increase in the price of nickel by about 10 per cent—the first major change since 1956—has had the effect of slightly inflating production figures. It is expected that this year production will be maintained or exceeded. Long-term prospects are good with markets in Europe, Japan and elsewhere representing a considerable potential, since per capita consumption of the metal in those countries is much below that of North America.

Within our national borders the International Nickel Company commenced operations at its new mine in northern Manitoba. In Ontario, a new nickel development at Gordon Lake, north of Kenora, is scheduled to start up production before the end of the present year.

In spite of a considerable decline in 1961, Ontario's uranium production accounted for 16 per cent of the province's mineral output. However, further decreases may be expected for the next few years as existing contracts which mainly cover defence requirements come to an end. An agreement for the sale of 12,000 tons of uranium concentrates to the United Kingdom is still under negotiation. Although potential new demand is represented by the requirements for nuclear power generating stations, this market is developing more slowly than hoped. In the meantime, a number of research organizations are engaged in the search for non-nuclear uses for uranium, including my own department; and again I

will refer to this when discussing the programme relating to northern development and also the operations of the Ontario Research Foundation.

In 1961 the volume of copper production increased by more than 2 per cent over 1960 but at \$122.5 million it was slightly below the previous year's level. In Ontario, one new producer commenced operations last year in the Timmins area.

Ontario's gold output in 1961 stood at \$92 million, almost equal to the value of production the year before. The industry has derived considerable benefits from the discount on the Canadian dollar. In spite of this impetus, most mines still received aid under The Emergency Gold Mining Assistance Act. The main difficulty for our gold producers continues to be that of rising costs while the price of the end product is fixed in terms of U.S. dollars. Although there has been a certain amount of speculation, United States government policy shows evidence of a determination to maintain the gold price at U.S. \$35.00 per ounce, as set in 1934.

Our iron ore mines last year surpassed all previous accomplishments with a record value of production of \$55 million, almost \$7 million more than in 1960. In Ontario, very substantial iron ore deposits have been discovered in recent years. Plans to bring several properties into production are in various stages of development, from shaft sinking and testing to the operation of a pilot plant. Activities are continuing north of Nakina, south of Kowkash, near Lake St. Joseph, south of Red Lake and in the Temagami area. This spring, construction will commence on a \$30 million iron mine in the Kirkland Lake area which, when in operation, will employ about 400 men. It is expected to produce a million gross tons annually of the highest quality iron ore pellets. New direct ore reduction methods offer special opportunities for the development of Ontario's extensive low-grade ore deposits. One considerable advantage is that these processes require no coke, a fuel which cannot be obtained from provincial sources.

With construction activity fairly stable, output of structural materials, valued at \$130 million, remained virtually unchanged. The major component of this group was sand and gravel, at almost \$44 million, followed by cement (\$31 million), stone (\$23 million), and lime (\$10.6 million). The production value of cement showed an increase of almost 11 per cent over that in the year before.

The production of fuels in the province increased from \$9.7 million in 1960 to \$10.7

million in 1961. Two-thirds of the total was accounted for by natural gas and one-third by crude petroleum. During 1961, 1,147,682 barrels of oil were produced in Ontario: an increase of 14 per cent over 1960. The 1961 figure is the highest that has ever been reached in Ontario in over 100 years of recorded history.

In terms of energy, Ontario is undergoing a spectacular change in the sources and uses of its energy supply. The gradual decline in the use of coal has been more than offset by the rapid increase in the use of oil and natural gas. At the same time electric power production and consumption continues to expand.

In 1961 an estimated 38 billion kilowatt hours of electrical energy was made available for use in Ontario—an increase of 2.7 per cent over 1960. This is against the judicial increase of approximately 6 per cent a year. During the past year the Ontario Hydro-Electric Power Commission, which provides 90 per cent of the electricity used in the province, increased its dependable peak capacity by 3 per cent to more than 6.7 million kilowatts. The commission added 108,000 kilowatts to dependable peak hydro-electric capacity through two new units at the Otter Rapids generating station on the Abitibi river and one unit at Red Rock Falls generating station on the Mississagi river. The greatest increase in capacity was, however, in the field of thermal electricity as the fourth 200,000 kilowatt unit at the Richard L. Hearn generating station and the first of six 300,000 kilowatt units at the Lakeview generating station were placed in service.

The total contribution made by these additional units was partly offset by adjustments in capacity at the Niagara river stations as expanding operations at the American power stations resulted in a decline in the amount of water available for use in Canada.

Additions were also made to the transmission network to increase efficiency and dependability of service. The rural distribution system was extended during 1961 by the net addition of 430 miles of primary distribution line to serve 22,000 new rural customers. In terms of a national grid of electricity I would say to the House that the province of Ontario stands ready to discuss at any level any programme which appears to be economically sound.

Extension of the use of natural gas in Ontario continued in 1961—although I have it here in my notes as 125 million cubic feet I think it is 125 billion cubic feet. Total sales

were 20 per cent higher than in 1960, at 125,142,098 Mcf.

The greatest increase was in industrial sales which now make up almost half the total. Residential customers purchase about 38 per cent of the total and commercial firms about 12.5 per cent; this is in relation to natural gas. While there was some decline in production of natural gas in Ontario in 1961, Ontario production still made up nearly 12 per cent of the total sold in the province during the year. A number of new wells were brought into production in Lake Erie last summer. The gas pipeline network in Ontario expanded to link up such places as Pembroke, Alviston, Elmira, Fergus, Elora and an ammonia plant at Millhaven.

The establishment of a national oil policy in 1961 brought significant changes in the petroleum industry. The policy called for producers to increase Canadian crude oil production by 45 per cent in the next three years or face import restrictions. The onus is on the producers and refiners to find larger outlets. As a result there has been an increase in exports and an increase in the inter-provincial flow of Canadian crude into Ontario.

By the end of September, 1961, Ontario refineries stopped receiving foreign crude and by the end of November all inventories of foreign crude had been consumed. By the end of 1961 no foreign crude was refined in Ontario refineries and it is unlikely that any foreign crude will enter Ontario in the future. Moreover, Ontario refined products amounted to 73.5 per cent of total consumption in the province of refined products in 1961 as compared with 71.5 per cent in 1960. Hence, although consumption of refined petroleum products in 1961 was up only 6.7 per cent from 1960, refinery production in Ontario was up 9.8 per cent, and 11.1 per cent less refinery products entered Ontario from other provinces. Ontario refineries were operating at closer to capacity in 1961—86.1 per cent as compared with 79.5 per cent in 1960.

Additions to capacity planned for the next few years are as follows: 1962, 25,000 barrels daily; 1963, 31,000 barrels daily; and 1965, 86,000 barrels daily. The expected expansion in refinery capacity in the next few years will be supplied by Canadian crude and it now appears that the targets set by the national oil policy for production of Canadian crude oil will be met.

In conclusion I would like to make these comments in relation to our economy. The Ontario economy recovered momentum in

1961 and new records of production, employment and incomes were achieved in almost all sectors. While there were some soft spots, the overall advance offset these and we realized a 3.5 per cent increase in gross provincial product.

Some of the outstanding developments in 1961 were the following:

1. the value of manufacturing production reached an all-time record of almost \$11.8 billion, led by recovery in durables.

2. steel production in Ontario was the highest in history.

3. there were 6,000 more housing starts in 1961 in Ontario than in 1960.

4. nickel and iron ore established new value of production levels last year at \$301 million and \$55 million, respectively, in Ontario.

5. in agriculture, both gross farm income, at \$1 billion, and farm cash income, at \$895 million, established record highs in 1961, in Ontario.

6. total paper production of 2.6 million tons was the highest in history, in Ontario.

7. personal income in the province was another record achieved in 1961, of \$1,855 per capita, the highest of any province in Canada and higher than the Canadian average.

8. Canada had a trade surplus for the first time since 1954 as exports rose by 8 per cent over 1960, contributed extensively to by the general industry in the province of Ontario.

The general improvement in the economy was reflected in an improvement in the employment situation. Employment created a new high averaging 2,261,000 in 1961, an increase of about one per cent from 1960. Unemployment in Ontario, seasonally adjusted, dropped from 6.9 per cent of the work force in January to 4.3 per cent in December, the lowest since October 1959. Although the rate of unemployment in the male sector is about double that of women, an encouraging factor this year has been the acceleration in manufacturing which has created new jobs for men.

The seasonally adjusted rate of unemployment in Ontario of 4.3 per cent continues to be well below that of Canada as a whole and the United States which averaged 5.9 and 6.1 per cent, respectively, in December 1961.

The gains achieved by the Ontario economy during 1961 are expected to continue throughout 1962. We anticipate that the gross pro-

vincial product will increase by 6 per cent with the greatest expansion in manufacturing, some areas of construction, mining, government, trade, and services.

Personal incomes have been rising strongly and the expansion in consumer liquidity together with greater consumer confidence in the economy should result in a substantial increase in consumer expenditures.

Although corporation profits have also risen in recent months, increased investment expenditures will depend to a large extent on the assessment of prospects for continued strength and ultimate demand. It is apparent that there is still excess capacity in many of our industries and until this is fully utilized there will be no large-scale investment undertaken in the private sector, and I am hopeful that our programme will also be effective in this area.

The length and strength of the current economic upswing will be to a large extent determined by conditions existing in our external markets. At the present time there has been a slowdown in the rate of growth in some of the major European countries, which might result in a temporary slackening in demand for our export products. This should be more than compensated by the resurgence in the United States economy which will increase the demand for our exports there. Because the United States and European economies are in different stages of their cyclical movements, we shall not experience the violent fluctuations which otherwise might have occurred. However, if this continues we can also expect a more gradual long-term growth. Changes in the structure of our foreign trade owing to developments in the common market will not be as significant in 1962 as in succeeding years, particularly if the United Kingdom becomes a member in 1963.

The present expansion in business activity is definitely stronger than has been the case over the last two cycles. Consumer durables have shown a remarkable improvement as have exports and industrial production. These are particularly encouraging to future growth in the Ontario economy.

Our economic prospects in Ontario for 1962 are excellent. We have a sound basis for expansion, and although we are fully aware that we are confronted with a number of problems, we can face the future with confidence.

We recognize that our rate of growth in the last four years has not been adequate. We are now, however, in a phase of

accelerated economic activity. If we are to provide the 500,000 to 600,000 new jobs required for our growing work force in the next ten years, we must develop new policies to overcome present problems and ensure a high rate of economic expansion. This government has no intention of presiding over a stagnating economy. Our economic policies can be stated in one word: growth.

Today we are confronted with a need for basic structural changes in our economy. Many of these, as I have pointed out, are already taking place in answer to the changing economic environment in which we operate. Since the end of World War II the size and variety of our manufacturing industries have undergone a great transformation and expansion. Many completely new industries have been set up while firms within older, more established industries have turned to new products to fit changing market conditions.

There is still more to be done. Our industries must achieve economies of scale and maintain a tight rein on production costs in the face of increased competition in both domestic and export markets. This may require in many industries a realignment and rationalization of production facilities. Greater specialization must be our goal with increased emphasis on quality. In the accomplishment of these goals the government pledges its co-operation and support to industry. In fact, we will do more than that, we will help to lead the way.

We are fully aware of the task ahead. We are now designing specific policies to encourage economic growth in Ontario. The government has already announced the new 12-point housing programme and the establishment of the Ontario Economic Council. Additional programmes will be presented to the hon. members shortly. In the detailed presentation of my estimates, I shall outline the special services to be provided by the expanded facilities of my department.

We are looking to the new Ontario Economic Council to come up with the answers to many of our economic problems. Committees are now being established to study and report on specific subjects such as the tourist industry, industrial research, industrial development, Ontario development fund, agriculture and development in northern Ontario. As I stated before, the activities of the council will not be limited to the investigation of problems over which the government has jurisdiction. We are going to look into anything and everything which affects the Ontario economy and use every method open to us to safeguard our interests

and promote economic growth and development in this province.

I am particularly concerned with the work of the economic committee on northern Ontario development. This area, which makes such a significant contribution to the total wealth of Ontario, is faced with unique problems because of its overwhelming dependence on the resource industries. I look forward to receiving the recommendations of the council on this matter, and I hope that concrete action can be taken in the very near future. In the meantime, the Ontario Northland Railway has already started construction on a new \$7.2 million telephone, microwave and communication system programme which will be of immense benefit to residents of the north. In addition, work will begin immediately on a railroad line to the new iron mine at Dane.

I should like to re-emphasize that the solution to our problems will not be easy. We know that it will require the fullest co-operation of all sectors of our economy. To this end we have included representatives of industry, labour, agriculture, commerce and science in our economic council as a partnership for progress. In co-operation with them we will do our utmost to ensure the greatest possible economic growth in Ontario. Of this I am confident, around this our programmes are built; I am confident the future is but ours to grasp just as it is the moment in which we may lift our people to their highest destiny.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I wonder in view of these wonderful figures if the budget will balance this year.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I move that the committee of supply reports progress and asks for leave to sit again.

Mr. Wintermeyer: Excuse me, Mr. Chairman, before the motion is put, may I ask what opportunity will be afforded to debate the presentation that has been made today?

Hon. Mr. Robarts: Well, Mr. Chairman, this is part of the estimates. We will go through all the estimates of The Department of Economics and Development by vote where hon. members will have an opportunity to speak. We will commence the budget debate as soon as the budget is in. These are all matters which can be debated in the budget. I do not think there is going to be any lack of opportunity for hon. members to debate.

Mr. Wintermeyer: Now, Mr. Chairman, this was an unusual step today. I think we all appreciate it and we were prepared to accept it, but surely we must be given an extraordinary opportunity to debate it.

Hon. Mr. Robarts: When the estimates for the department are presented.

Mr. Wintermeyer: Now, just a moment, Mr. Chairman, I am making a very specific point. A presentation was made this afternoon which took an hour and a half and I think the Opposition should have an opportunity to specifically debate this on the occasion—just a moment. Now the hon. Prime Minister (Mr. Robarts) has said that the budget debate will provide that opportunity. It will not. If the hon. Prime Minister wants to give us the specific assurance that during those estimates a wide opportunity will be given to debate on this issue—

Hon. Mr. Robarts: Mr. Chairman, if the hon. leader of the Opposition (Mr. Wintermeyer) would just understand what was done this afternoon; we have introduced the estimates—

Mr. Wintermeyer: It is quite obvious, quite apparent.

Hon. Mr. Robarts: —of The Department of Economics and Development and the hon. Minister has made his opening statement. Now it is free for any hon. member of this House to rise and make any statement he wishes in the course of the estimates of this department. There is no change in procedure, all we have done is change the timing.

Mr. Wintermeyer: Just wait until the occasion arises, Mr. Chairman. But I want to make it emphatically clear that we have the opportunity to debate this—

Hon. Mr. Robarts: I have not finished what I was saying. Hon. members will have all the opportunity they like to debate anything that was in this statement, it will all be in *Hansard*. Hon. members will have an opportunity to debate it when these estimates are called again and by that time they will have had an opportunity to read it in *Hansard*.

Mr. Bryden: Mr. Chairman, I wonder if the hon. Prime Minister is in a position to indicate when these estimates are likely to be called again?

Hon. Mr. Robarts: Any time after Monday, Mr. Chairman. They will not be called this week.

Hon. Mr. Robarts moves that the committee of supply do now rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the Chair.

CERTAIN LANDS IN THE TOWN OF GANANOQUE

Hon. J. W. Spooner (Minister of Lands and Forests) moves second reading of Bill No. 55, An Act respecting Certain Lands in the Town of Gananoque.

Motion agreed to; second reading of the bill.

THE MINING ACT

Hon. G. C. Wardrope (Minister of Mines) moves second reading of Bill No. 57, An Act to amend The Mining Act.

Mr. E. W. Sopha (Sudbury): Mr. Speaker, my recollection is that last year the committee on mining did not meet at all, or if it did meet it met only on one occasion. Do I understand that this bill is going to be sent to a revived and resuscitated mining committee for a thorough study?

Hon. G. C. Wardrope (Minister of Mines): I cannot understand that Sudbury terminology, Mr. Speaker, but it will be sent to the standing committee and I hope in deference to last year that the hon. member for Sudbury will be there, which he was not last year.

Mr. Sopha: Mr. Speaker, I am not anywhere lately, but if the hon. Minister wants me to speak in Ojibway to him, which I know he does understand, I would be glad to oblige him.

Motion agreed to; second reading of the bill.

THE NOTARIES ACT

Hon. A. K. Roberts (Attorney-General) moves second reading of Bill No. 59, An Act to amend The Notaries Act.

Hon. A. K. Roberts (Attorney-General): There will be a number of these bills going to the committee on legal bills. This is simply a tidying up. There was some question in the mind of the inspector of legal offices as to whether there was sufficient in the Act to authorize the fixing of fees by regulation and that is now being done.

Motion agreed to; second reading of the bill.

THE JUDICATURE ACT

Hon. Mr. Roberts moves second reading of Bill No. 60, An Act to amend The Judicature Act.

Motion agreed to; second reading of the bill.

THE COUNTY COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 61, An Act to amend The County Courts Act.

Hon. Mr. Roberts: I might say that this bill and a number of others are in relation to the Silk report, and will all go to the committee on legal bills.

Motion agreed to; second reading of the bill.

THE COUNTY JUDGES ACT

Hon. Mr. Roberts moves second reading of Bill No. 62, An Act to amend The County Judges Act.

Motion agreed to; second reading of the bill.

THE DIVISION COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 63, An Act to amend The Division Courts Act.

Motion agreed to; second reading of the bill.

THE GENERAL SESSIONS ACT

Hon. Mr. Roberts moves second reading of Bill No. 64, An Act to amend The General Sessions Act.

Motion agreed to; second reading of the bill.

THE JUDICATURE ACT

Hon. Mr. Roberts moves second reading of Bill No. 65, An Act to amend The Judicature Act.

Mr. V. M. Singer (York Centre): Mr. Speaker, before that motion carries, might I inquire as to why we have two bills amending The Judicature Act at the same time? Why can we not have it all in one?

Hon. Mr. Roberts: This one will go to the committee on legal bills, the other one was an entirely different matter.

Mr. Singer: Would it not be simpler, for indexing and for the general convenience of

those who might want to consult The Judicature Act, if we have only one Judicature Act amendment Act a year?

Hon. Mr. Roberts: It will all be put into the one when it goes into the statute book.

Motion agreed to; second reading of the bill.

THE JUVENILE AND FAMILY COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 66, An Act to amend The Juvenile and Family Courts Act.

Mr. J. Trotter (Parkdale): Mr. Speaker, I would just like to say a few words in regard to this bill and the principle behind it. I think it is long overdue that the government has done something or at least it is going through the motions to try to do something to have trained family court judges.

Recently there was an appointment in Richmond Hill, and it is an amazing appointment. When I read the local paper called *The Liberal* and learned of the appointment—it was not editorial comment of any kind—I was amazed at the type of person appointed. I am not saying there was anything wrong with the person as an individual, but as far as training is concerned, as far as background is concerned, the appointment at Richmond Hill should certainly never have been made to a family court. I think in a family court the principle behind such appointments should be that it be someone trained in the law. Not only trained in the law but who has an understanding of human nature, who has the patience to solve family problems.

I just want to give you an idea, Mr. Speaker, of the type of appointment this government has been making. It has been using the family court for political pay-offs in order to find jobs for those good, faithful Tory workers regardless of their qualifications.

I just want to read what is on the front page of the Richmond Hill *Liberal*. This is evidently, up to this date, what the hon. Attorney-General (Mr. Roberts) considers qualifications to sit on the family court. It is from the Richmond Hill *Liberal*, Thursday, January 18, 1962, entitled:

NAMED JUDGE OF FAMILY COURT

It has a picture of George R. Sweeney. It says here:

A resident of Richmond Hill for the past 14 years who has been appointed

judge of the juvenile and family court for the County of York. He is a graduate of Trinity College, University of Toronto, in English, history and political science. Post college experience in journalism and creative advertising research was interrupted by four and a half years service in the R.C.A.F. and R.A.F. as a bombardier and navigator in the United Kingdom, Malta and Burma. His post-war experience was as an advertising manager and sales manager, including merchandising research and promotion in the manufacturing in import and export fields. He is currently interested in the adult programme for the retarded and as chairman will start a local workshop in 1962 in Richmond Hill.

Incidentally, Mr. Speaker, that is the only item in all his career that shows that he has some interest in that type of thing that might be even similar to a family court. The item goes on:

He is a director of the Toronto Ski Club and chairman of the operation at Summit. He is engaged in an instructional programme for future Olympic games material. This operation is a pilot project for future plans in other Ontario centres. His hobbies and sports include skiing, sailing, theatre and recreation projects.

Now, Mr. Speaker, we find out why he really was appointed.

He has been especially interested in political activities, having served as president of the Richmond Hill Progressive Conservative Association and as vice-president of the North York association. In 1957 he was campaign manager for C. A. Cathers, North York's present member of Parliament, and in 1958 was appointed returning officer for North York riding following a Progressive Conservative victory in that year.

Now, Mr. Speaker, the time has come when appointees to this type of work should be trained personnel; and certainly in the area of Richmond Hill there are many people who could fill that type of job. He may be an excellent advertising man. He may be excellent at selling soap. But this is not solving the serious problem in juvenile courts and family problems.

So I do hope that the hon. Attorney-General is going to turn over a new leaf. Certainly from what we have seen in the past, this change is long overdue. We should stop using the family courts for political pay-off.

Hon. Mr. Roberts: Mr. Speaker, I would just say this, that I thank the hon. member for Parkdale (Mr. Trotter) for reading, as he did, the biography of this very fine man, father of a large family, and a man who, when there was trouble, was over there as a bombardier. I have no apologies to make whatever to anybody in this House for that appointment.

Mr. Trotter: Mr. Speaker, I never questioned the man's integrity. I would say this: that he is not trained for the job, it is a political pay-off.

Interjections by hon. members.

Mr. Speaker: Order, order. I would point out to the hon. members that on second readings of bills the members are allowed to speak once but not to speak a second time.

Mr. R. M. Whicher (Bruce): I have not said anything so I will repeat what he said. It is a political pay-off, that is what it is.

Motion agreed to; second reading of the bill.

THE SURROGATE COURTS ACT

Hon. Mr. Roberts moves second reading of Bill No. 67, An Act to amend The Surrogate Courts Act.

Motion agreed to; second reading of the bill.

THE GAME AND FISH ACT, 1961-1962

Hon. J. W. Spooner (Minister of Lands and Forests) moves second reading of Bill No. 69, The Game and Fish Act, 1961-1962.

Motion agreed to; second reading of the bill.

THE AGRICULTURAL SOCIETIES ACT

Hon. W. A. Stewart (Minister of Agriculture) moves second reading of Bill No. 70, An Act to amend The Agricultural Societies Act.

Motion agreed to; second reading of the bill.

THE TRAINING SCHOOLS ACT

Hon. I. Haskett (Minister of Reform Institutions) moves second reading of Bill No. 71, An Act to amend The Training Schools Act.

Motion agreed to; second reading of the bill.

APPROVAL OF IMPARTIAL REFEREES AND ARBITRATORS

Hon. Mr. Roberts moves second reading of Bill No. 72, An Act to provide for the Approval of Impartial Referees and Arbitrators.

Mr. R. Gisborn (Wentworth East): Mr. Speaker, I would like the hon. Attorney-General to elaborate on the principle of this bill during this reading. I do not quite understand what this covers—I might put it in the form of a question, sir. Does it cover all types of arbitration that may come under provincial jurisdiction, or just specific cases of collective bargaining arbitration?

Hon. Mr. Roberts: Mr. Speaker, I did on first reading give a short statement, and I take it my hon. friend from Wentworth East does not want me to repeat that.

This is a bill which will provide for a pool or a panel of people who will have passed a test by a very competent supervisory board, entitling them to be named with a certain name as set out in the Act. They will be regarded as people who are fit and properly trained for the type of work that is set out; impartial referees and arbitrators, and wherever there is a call for these qualified persons they would be eligible, but their participation is in no way compulsory. This is a step forward, I think, because it will mean there will be people who have been tested and to whom this supervisory board has given the stamp of approval. The parties themselves will always have the choice. They can go outside that group; they are in no way held to choosing people in that panel.

In other words, this is not an exclusive society where you must go for your arbitrator or your referee. Judges still remain in the same position, although they may ultimately be gradually withdrawn. Other people not in that panel, would still be available on the choice of the parties if they wanted them, but this is a step forward, indicating people who have passed the test for this type of qualification. As the years go on I anticipate that it will be a very valuable record of capacity in that respect.

Mr. Gisborn: Mr. Speaker, I would certainly support this important move. There has been a need for this type of thing for quite some time and I am sure the trade union movement will make good use of these arbitrators who will be available. Because of the great delay in getting cases started in the past, we had to wait for one of the few judges who were participating. But I would

like to make a couple of important suggestions.

I think the bill itself should provide an area for complaint by anyone in regard to the panel or any individuals on the panel through reference to the advisory group. I would also suggest that The Department of Labour or The Department of the Attorney-General should have some specialized groups on the panels because of the technological changes in industry, such as job evaluation programmes.

We have found in the past where we have had arbitrators deal with cases, that they have sat for some days and at the conclusion, they have had the chairman state that he felt himself not really competent to deal with this particular case.

I would suggest that some thought be given to the training of arbitrators in the field of job evaluation, so that when they get a case that involves a C.W.S. programme, as we call it, that they know the terminology and all the implications involved with factoring, out of line differentials, and this sort of thing. This would be an improvement in giving cases in arbitration the fullest consideration.

Mr. Sopha: Mr. Speaker, I watched very closely for the printing of this bill and I notice it appeared in our books today for the first time. Having had only a very short opportunity to examine its content I should like most respectfully to ask the hon. Attorney-General through you, sir, whether it is intended that such a body of approved arbitrators and referees will function under the aegis of some individual, who shall be appointed to head it up; whether, in that case, the labour unions and companies who find themselves embroiled in disputes over the construction, interpretation, application or alleged violation—the words usually used—of the contract between them, will apply to some central registry or some specific person to have an arbitrator assigned to them. If that is the case, will the parties have the opportunity of selecting some specific individual from the panel, and make application for that person to be assigned?

Further, is the intention of the government through the device of this Act—coupled with the other bill providing for the appointment of a chief judge of the county courts—is it the intention of the government, or is it, in fact, government policy, that gradual evolutionary steps, if I may use that phrase, be taken so that county court judges will be prohibited from acting in the arbitration of industrial disputes?

One could not have failed to note the emphasis placed in Mr. Silk's report, which I might add, sir, I was studying during one of the periods in which I was absent from the House. I was studying that report and could not be here. However, sir, I promise to be here from now on except on Friday, when I have to be in Little Current. Hon. members probably would not have known where Little Current is but it is a long way north, and I have to go there on Friday.

However, to get back to what I was saying.

In the Silk report one saw this striking phenomenon: Mr. Silk said that Ontario was the only jurisdiction—in the western world, I think he put it, I think his encompassment went that far—where the second level of the judiciary, that is, the county court judiciary, had almost a complete monopoly upon the arbitration of industrial disputes.

That development has come about since the end of World War II and I am wondering, sir, whether it is the policy of this government to inhibit, or to put it a little stronger, prohibit the county court judiciary from continuing to act in that capacity.

Certainly, sir these people have engendered the confidence of both management and labour in their actions as arbitrators, but because they have had a monopoly it has worked against the building up of a body of other people, other groups, people of different training, background and experience who are available to act as labour arbitrators.

One cannot help suspect, but it would take more time of this House than I dare to this afternoon to go into all the ramifications of that—certainly the operation of the second level of the judiciary of the province has suffered through the extent that county judges have been engrossed in labour arbitration. I wish the hon. Attorney-General would rise and tell us what the intention of the government is, because a great many people both on management and on labour side are concerned about the composition of this body; a body that apparently hereafter is going to arbitrate the disputes and iron out the differences that they run into almost daily in the interpretation of their collective bargaining agreements.

I am not one, sir, who is given often to paying attention to rumour, but I have heard it said among those who are concerned—it has been mooted about and bruited about—that this new body will be under the chairmanship of the person who is presently chairman of

the Ontario Labour Relations Board. Is it intended that he step down from that position and take over the responsibilities, which are encompassed within the four corners of this statute? If such is the case, then I say the government has the obligation at the earliest opportunity, and the earliest opportunity is provided on second reading of this bill with which we are now concerned, to let those in this province know what its intentions are, in the future. More than that, specifically, if county court judges are now no longer going to be the main instruments or the main body of persons from which labour arbitrators are drawn, then what steps is the government going to take to secure the fairly large body of persons who are needed throughout the whole length and breadth of the province?

I speak, sir, from some experience, having attended upon arbitrations, acted as counsel in them, and I know some of the difficulties that we encounter in trying to secure the services of an arbitrator who is acceptable to both sides. Frequently you go through quite a dramatic list of people—or quite a lengthy list perhaps is a better word—of people before you decide upon someone who is acceptable to both sides.

Now, just to sum up—and I am speaking without notes and I am speaking extemporaneously, but these things I have thought about a great deal—I sum up by saying that this Bill No. 72 is a very great break—there is the place for the word “dramatic”—it is a very dramatic departure from what has been the case, the experience, in this province. We have had some—I do not know how many, 40, perhaps, or 35—county court judges who have been doing this work. If it is the government's policy that they be prohibited from doing it, then we should hear now what the alternative policy is going to be, what recruitment steps are going to be taken, whether in fact academic people are going to be invited into this or, in the words of the hon. member who spoke last, is there going to be some training procedure in order to provide a panel of persons who will be acceptable to both labour and management?

Hon. Mr. Roberts: Mr. Speaker, I may say that I think the hon. member for Wentworth East (Mr. Gisborn) made some very sensible suggestions in relation to the development of this theme. The hon. member for Sudbury (Mr. Sopha) has referred to the report which he read when he was in bed, I suppose, or sick anyway, or somewhere, otherwise he would have been here. But I would refer to

pages 61 through to 72 for the expression on that particular subject by Mr. Silk himself for anyone who is interested, and it is a good report.

Actually, this is something of a really evolutionary nature and it will take, as all evolution does take, time to work out and to reach perfection. There is no overnight magic about it, but we do believe that over a period of time there will be built up a new group of people who are given a special name—approved impartial referee and arbitrator, would be the title. A society of people will probably emerge in due course, people who will no doubt organize themselves when it gets big enough—similar to other types of organizations such as your public accountants and that sort of thing.

The personnel, as I have indicated, and I repeat again, is not a personnel which will be exclusive. There is no thought of making a person qualify under that particular Act in order to be available for arbitration. There is still a free choice across the board. I think, however, that the time may come over a period—certainly the tendency will be over a period of time—to have our county and district judges—and I am speaking by and large now—assigning and taking up their duties in relation to their judicial duties as such in priority to anything else. There is no doubt that that would be the tendency. It may be that as a result of a policy in Ottawa and in co-operation with the government here, there might come a time when they would be excluded. But there is no thought at the moment of excluding them. There is no thought of trying to build up this group of people suddenly and then say that that is it, you must take somebody from there and nobody else is available. Nothing of that sort.

I could imagine that in the course of months there will be a lot of good names available of people who will really have the type of training in the specialist type in some cases. Then I think that hon. members will find that there will undoubtedly be some favourites. There will be some who will be linked with this work, or will have those attributes of settlement, in a much greater degree than others, and then the parties will be looking for those favourites. It may be that there will be some people in that panel who will not be getting much work, while others may be getting a lion's share. But we think that this free selection and free choice is highly important.

We do think that this is going to be a real step forward and will assist in solving other problems in relation to the administration of

justice. I think I cover in that way the three specific questions that the hon. member put to me.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, I would just like to ask a question. Has the hon. Attorney-General (Mr. Roberts) given any thought to the rate of pay that they will be receiving so that he will be getting top personnel?

Hon. Mr. Roberts: Well, again that is a matter of—I will not say detail—but it is a matter that will come with this development. There is a fair amount of flexibility at the present time, I think, in arbitrations and in these matters. I think there is a definite amount that is fixed so far as a judge is concerned, which is in a category by itself. But I think these are things that the experts—once this has been set up—will sit down and work out.

I would anticipate that the overall result would be less delay and, we hope, better end results. I would also hope that the cost of these proceedings would not be out of line either and there would be improvements rather than otherwise in connection with that.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, may I ask the hon. Attorney-General whether the government has any intention—

Mr. Speaker: Before the hon. leader of the Opposition (Mr. Wintermeyer) asks his question, I would like to point out to the hon. members that this is second reading. I have been a little lax in this matter, but I think the time has come when I must draw the hon. members' attention to the proper procedure. The hon. members must be able to differentiate between second reading and asking questions. Questions are usually asked while we are in committee stage and are much better answered at that time. I do not wish to restrain the hon. leader of the Opposition, I just wanted to point this out.

Mr. Wintermeyer: Thank you, Mr. Speaker. My thought was, however, that questions which might relate to the principle of the bill—however, they can be positively stated.

Mr. Speaker, rather than ask the question, may I suggest that on innumerable occasions it has been said that it would be wise to effect a programme of education in the universities or in one specific university to assist the training of persons just such as are referred to in this instance. I was wondering if the hon. Attorney-General (Mr. Roberts)

could tell me whether it would be government policy to encourage either the creation or the development of a department in some university to assist the training of men of the calibre and type that he will be looking for through the provisions of this Act.

Hon. Mr. Roberts: Well, I would think it would be—I am not announcing any policy—but I would certainly think that sort of thing should follow in order to have this as efficient as possible.

Motion agreed to; second reading of the bill.

THE POLICE ACT

Hon. Mr. Roberts moves second reading of Bill No. 73, An Act to amend The Police Act.

Motion agreed to; second reading of the bill.

Mr. Speaker: At this point, I would like to mention that I have been asked to announce that the committee on education meeting, called for 10 o'clock tomorrow morning, has been cancelled to allow the hon. members to join the committee on agriculture to attend the meeting at Guelph.

Hon. Mr. Robarts moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to: House in committee of the whole, Mr. K. Brown in the chair.

THE HOSPITAL SERVICES COMMISSION ACT

House in committee on Bill No. 51, An Act to amend The Hospital Services Commission Act.

Sections 1 to 3, inclusive, agreed to.
Bill No. 51 reported.

THE PUBLIC HOSPITALS ACT

House in committee on Bill No. 52, An Act to amend The Public Hospitals Act.

Sections 1 to 3, inclusive, agreed to.
Bill No. 52 reported.

THE ONTARIO CODE OF HUMAN RIGHTS

House in committee on Bill No. 54, An Act to establish the Ontario Code of Human Rights and to provide for its Administration.

Sections 1 and 2 agreed to.

On section 3:

Mr. K. Bryden (Woodbine): Mr. Chairman, on section 3 I would like to urge upon the government once again that they consider broadening the provision by reducing the size of the building to which it applies. At the present time the bill provides that there may not be discrimination with regard to occupancy in an apartment containing more than six self-contained dwelling units.

Mr. Chairman, I am just in the process of writing out my amendment, I did not realize that this bill would be called at this time, but I would like to move, seconded by Mr. Gisborn:

That section 3 of the bill be amended by striking out the word "six" in the third line in clause (a) and in the fourth line in clause (b), and by substituting therefor the word "three".

Mr. Chairman: Hon. members have heard the amendment. Shall the amendment carry?

Mr. R. Gisborn (Wentworth East): Mr. Chairman, we have over the past several years been interested in bringing about this type of legislation. We have submitted bills ourselves to have something concrete, something that would bring about the end of discrimination in regard to people renting apartments, particularly coloured people, in the province of Ontario. No doubt there has been a real good job done in this regard by the human rights committee of the Ontario Federation of Labour. The newspapers and the press in this province have added support by following up cases of discrimination. They have done a real good job in bringing to the attention of the public specific cases of discrimination.

We can see no reason, since we have at least agreed with the principle of bringing in legislation to make it an offence to discriminate, that it should not apply, as has been suggested by the hon. member to more than three-apartment dwellings rather than stop at six-apartment dwellings. We support the principle in its entirety, with the hope that we can put real intent into the bill itself and make it cover the three-apartment buildings rather than stop at six as mentioned in the bill.

Hon. W. K. Warrender (Minister of Labour): Mr. Chairman, I should like to say a word in opposition to the amendment. I am just new in the department, as everyone knows, but I have made some inquiries about this and I have found from the human rights

commission representatives that the Act as it is now worded is working extremely well.

I am told, sir, that this reduction to three in itself means nothing. An apartment of six dwelling units is actually a very small unit, because you can have one house, as is true in many parts of downtown Toronto and as a matter of fact some of the older parts of many of the urban communities in Ontario, where they have six units and that is a family dwelling. They have the father and mother there, with maybe the uncle and aunt, and the father and mother and the children. That is theirs, and I think they should have the right to say whether or not there is going to be someone in there whom they do not want or whom they want in place of someone else. This is not a straight case of discrimination, it is respecting the rights of individuals who have their family groups together, as one entity.

Now, sir, I am told by the representatives of the human rights commission this has worked extremely well and I myself cannot support the motion. I would ask that all support the present legislation as it is because it has been admitted it is good.

Mr. Bryden: Mr. Chairman, the example the hon. Minister gave is certainly a most unconvincing one. The bill now before us refers only to buildings containing a specified number of self-contained dwelling units. It is not a matter of father and mother having a flat in a house and having some of their children occupying other portions of the house. We are now talking about commercial propositions, in which landlords—in many cases, absentee landlords—are renting accommodation on a commercial basis.

For example, along the Lakeshore in Toronto there is a whole street of six-plexes. It differs very little from the large multiple dwelling units which surround it on either side. It differs in one respect, however, in that this provision of the law will not apply to that particular group of buildings, whereas it will apply to other buildings, constructed in a somewhat different way, that surround it.

I am not suggesting, I do not for one moment believe, that the owner of that group of buildings would discriminate. I have no knowledge of that. I am just calling the attention of the hon. Minister and of the government to the fact that this is quite a common type of arrangement in the construction of commercial property. The present rather large number of six—actually buildings with more than six self-contained units—

which applies here, makes it unduly restrictive.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I would like to speak to this amendment.

It seems to me what in fact the amendment deals with is a question of degree and not a question of principle. In other words, the hon. member amended to read “three”, the Act reads “six”. Why not two or why not four?

In other words, we are here dealing only with a matter of degree and not with the principle of the bill and what we are trying to do in the bill. It may be that if you get below six of five or four, then in attempting to preserve the rights of certain people you begin to infringe on the personal rights of certain other people. This is exactly why we have the limitation in the bill at all. I would suggest that in view of the fact that this legislation has been in effect and is working very satisfactorily, that perhaps the degree which has been used in the past, that is, the six apartment or less, has proven to be a workable solution to what is indeed a very difficult problem. As I say, the hon. member may pick six, five or four, and why is three better than two?

We are attempting in this legislation to establish certain principles and to protect people from discrimination but, at the same time, we must be alert to guard against infringing on certain inherent rights that belong to individuals as well. Therefore, I would speak against the amendment on the grounds that it is not a question of principle in the amendment being moved because it does allow three, and secondly, because this legislation and the way it has been set up has been proven to be satisfactory. Perhaps some time in the future, if there are indications that some changes should be made, that might be possible but there are no such indications today.

Mr. Chairman: As many as are in favour of the amendment please say “aye”.

As many as are opposed please say “nay”.

In my opinion the “nays” have it.

Section 3 agreed to.

On section 4.

Mr. J. Trotter (Parkdale): I would like to speak to section 4, if I may.

We have had much discussion here about the various things which stop people from finding work and I think one of the things

we have overlooked is age. So often people today are refused work because they are over the age of 35, even more because they are over the age of 40. I think if we had it in our legislation that we were out to help those people who were still not old, but considered by some too old because they are 35, it would go a long way in helping to solve the unemployment situation.

There are many people who are out of work simply because of age; not that they are not properly trained or they have no experience. Many of them are more qualified, far better experienced and can be depended upon better than younger people. Employers today have got into a bad habit of not giving people employment because of age.

Our own legislation in this province is largely at fault. The Apprenticeship Act has been mentioned in this House before, in that anyone over 21 cannot qualify as an apprentice. It is time we cleaned up our legislation.

With this in mind, Mr. Chairman, I would like to move an amendment to section 4, subsection 1 of this bill so that it would read as follows:

No employer or person acting on behalf of an employer shall refuse to employ or to continue to employ any person, or discriminate against any person with regard to employment or any term or condition of employment because of his race, creed, colour, nationality, ancestry, place of origin or age.

I move this, seconded by Mr. Nixon.

Mr. Bryden: Mr. Chairman, I speak in support of the amendment moved by the hon. member for Parkdale (Mr. Trotter). I trust that the hon. Minister (Mr. Warrender) will not tell us that on this occasion the present provisions of the statute have been operating satisfactorily.

I regret very much that the hon. chief commissioner of the LCBO (Mr. Grossman) is not in his seat, because before he moved up to the august ranks of the Cabinet, he was a very strong exponent of legislation to eliminate discrimination on account of age. In fact I can remember one year, when representatives of each of the parties had notices of bills on this subject on the order paper, there was rather a quick double shuffle to permit the hon. Minister—who was then, as he is now, hon. member for St. Andrew but who was not then a member of the Cabinet—to get his bill in first. The bill was called for debate, although the others were not accorded the same treatment, and we had a very interesting

discussion about the problem. We all agreed it was very serious and that was the last we ever heard about it either from him or from the government.

But the problem carries on, Mr. Chairman, and it is a serious problem. It is one of the cruelest things in Ontario today to see a man who, because of some unfortunate circumstance, perhaps the closing down of a plant, loses the job to which he may have contributed many years of service and then is unable to get another job.

I had a man in to see me only today, and I am sure every hon. member has had experiences like this. His crime is that he is 55 years of age. He had worked continuously for a company that I will not name, but it is a large and prosperous company in this community, and he had worked for them for a good many years. Three and a half years ago he suffered diabetes and because of his disability he had to give up work altogether. Now he is greatly improved, Mr. Chairman, and is capable of doing work again.

This wealthy company, which I have no doubt makes a great deal of capital out of the amount it contributes to the community chest, is unable to find a job for this man now, even though he is capable of doing some work and has contributed to them substantially in the past. He has gone everywhere he can think of but he cannot find work anywhere because always he is up against the problem of age.

Once he gives his age his chances are gone completely. If they were ready even to give him a chance, to see what he could do, it would do him no good because now he is up against pension plans as well. Pension plans were designed for the benefit of employees and they do benefit employees, there is no question about that, but a side effect of them is this very cruel discrimination against men who are willing and able to work, who want to work, who want to make a contribution to society, who do not want to live on welfare, but who are prevented from getting employment.

I would suggest, Mr. Chairman, that this is a matter to which the hon. Minister ought to give very serious consideration. In fact, I would suggest it is a matter on which he ought to be prepared to act now, because the government assured us in the last session, in the session before that, and, I have no doubt, in many sessions before that—although I was not here then—that it recognized the urgency of the problem and had it under consideration.

I think the time for consideration has ended. The time for action has come and that the hon. Minister ought to accept the amendment of the hon. member for Parkdale (Mr. Trotter) or one that carries out the same principle in words preferred by the hon. Minister. This surely is a matter, Mr. Chairman, on which this House should be prepared to act at this session.

Hon. Mr. Warrender: Mr. Chairman, if you read the preamble to the bill you will find that it has to do with certain rights in respect of race, creed, colour, nationality, ancestry or place of origin.

Sir, the point I am making is that these rights in respect of which we are speaking have something in common. Bring in a condition of age, which has no relationship at all to the present principles of the bill, and I say you take it outside of the bill altogether. If something is going to be done about age then it should be in respect of, or related to, another bill and it should be debated there.

I am not going to decide now whether age should be the subject of another bill or not; all I am saying is that I do not believe it should be included in this bill which has to do with certain rights or with respect to certain rights as I have read. There is no relationship here at all; therefore I think the amendment should be defeated.

Mr. Bryden: Mr. Chairman, this specious argument that the hon. Minister has just put forward demonstrates how slowly Tories move.

Ten years ago the same argument was put forth when it was suggested that the principle of non-discrimination on the basis of sex should be incorporated in legislation of this kind. It took ten years for the government to see the light on that particular point.

Now they are recognizing the principle that sex discrimination is related to this bill, that discrimination on any basis is related to discrimination on any other basis; so that the principle of prohibiting discrimination on the basis of sex is now incorporated into the bill. I submit that it should not take the government 10 years more to see that the problem of discrimination on the basis of

age is also a serious problem and that it quite properly should be dealt with in this bill. It is not very difficult or should not be very difficult to amend the preamble if that is considered necessary.

Surely the basic principle of this bill is not one to outlaw or educate against discrimination in certain areas. It is a bill, and its title declares it to be, a bill in respect of human rights. I say that discrimination on account of age is just as damnable as discrimination on any other basis.

I think that we should assert the rights of human beings to be able to exercise their rights on all bases and to be free from discrimination regardless of the cause of it. The principle of age fits quite properly into a bill that is entitled, An Act to Establish the Ontario Code of Human Rights.

Hon. Mr. Robarts: Mr. Chairman, we are going to adjourn at this time. It is 6 o'clock and we will resume on this bill when we go back into committee.

Hon. Mr. Robarts moves the adjournment of the debate.

Motion agreed to.

Hon. Mr. Robarts moves that the committee of the whole House rise and report certain bills without amendment and progress on one bill and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of the whole begs to report certain bills without amendment and progress on one bill and asks leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before moving the adjournment of the House; on Thursday the hon. Provincial Treasurer (Mr. Allan) will introduce the budget.

Hon. Mr. Robarts moves the adjournment of the House.

The House adjourned at 6.10 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, March 1, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 1, 1962

The House met at 2 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery, Whiteoaks Public School, Clarkson, and Township School, area No. 1, Thornhill; and in the west gallery, Queen Alexandra Senior Public School, Toronto, and Plains Road Public School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. G. E. Gomme (Lanark), from the standing committee on private bills, presented the committee's report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr22, An Act respecting the county of Essex, the town of Leamington, and the Public Utilities Commission of the town of Leamington.

Bill No. Pr29, An Act respecting the township of Etobicoke.

Your committee begs to report the following bill with certain amendments:

Bill No. Pr25, An Act respecting the High School Board of the city of Sudbury and the Neelon-Garson and Falconbridge District High School Board.

Mr. Speaker: Motions.

Introduction of bills.

THE MUNICIPAL AFFAIRS ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Department of Municipal Affairs Act.

Motion agreed to; first reading of the bill.

Mr. V. M. Singer (York Centre): Mr. Speaker, I wonder if the hon. Minister would explain the bill?

Hon. F. M. Cass (Minister of Municipal Affairs): I think it is quite self-explanatory, Mr. Speaker.

THE MUNICIPAL BOARD ACT

Hon. Mr. Cass moves first reading of bill intituled, An Act to amend The Ontario Municipal Board Act.

Motion agreed to; first reading of the bill.

Mr. E. W. Sopha (Sudbury): Would the hon. Minister tell us the necessity for the surliness, Mr. Speaker?

Hon. Mr. Cass: I cannot hear the hon. member.

Mr. Sopha: The surliness; s-u-r-l-i-n-e-s-s.

Mr. Singer: Would the hon. Minister care to explain the purpose of this bill?

Hon. Mr. Cass: Yes, Mr. Speaker, this bill is not self-explanatory; this bill is to amend certain of the procedures before the Municipal Board and to define and refine some of the powers of the Board.

Hon. J. W. Spooner (Minister of Lands and Forests): Mr. Speaker, before the orders of the day, there is a short announcement that I would like to make.

This announcement relates to a new agreement for a period of ten years which has just been signed with the federal government. It is an agreement relating to the renewable natural resources of a large part of northern Ontario, and the purpose of the agreement is to improve the livelihood of persons living mostly in the remote areas of the north.

The agreement, jointly signed by Hon. Ellen L. Fairclough, Minister of Citizenship and Immigration, and Superintendent-General of Indian Affairs, and myself, representing The Department of Lands and Forests, will affect the lives of some 24,000 Indians as well as other inhabitants of the north. It was spurred by the success of a ten-year fur resources programme between the federal and Ontario governments which has been recently concluded.

Unlike the former agreement, which was mainly concerned with the fur programme, the new agreement includes all renewable natural resources such as fish, wild crops and timber. It no longer includes ordinary supervision of the fur programme which is now self-sustaining.

The agreement will help people in northern Ontario who still depend on these natural resources for their livelihood.

This agreement deals with the development, management and harvesting of a number of resources, including commercial fishing, that are on a sustained yield production and quality control basis. It also deals with fishing and hunting for domestic use, sports fishing and hunting—including instruction and assistance to guides and outfitters—and public hunting on Indian reserves. It also has to do with other natural resources consisting of wild rice, blueberries and other wild crops; forestry, including pulp and paper production, forest fire protection and the training of forest fire fighters; the processing and marketing of resource products, including fur.

An advisory committee, composed of five members, two from the federal government and three from the province, has been established.

The committee will advise the federal and provincial governments on all aspects relating to the development, management and cropping of renewable natural resources, including the processing and sale of these products and the distribution of the proceeds amongst the persons for whose benefit the development programme has been instituted.

Ontario is to undertake the administration, supervision and management of all programmes or special projects initiated under the agreement. The province will pay a yearly sum of \$200,000 towards the programme; the federal government is to pay up to \$50,000 annually as its share of the costs of administration and supervision, plus 50 per cent of the amount spent for other costs, with its total maximum contribution not to exceed \$100,000 per annum.

Costs of administration and supervision may include: salaries and expenses, including air transportation for overseers, conservation and management officers, biologists, and others engaged in the supervision and management of resource programmes.

Costs other than administration and supervision may include: field investigations; lake examination to determine safe volume of production; management research and fur

marketing projects; transfers of live fur-bearing or game animals; restocking of lakes, and rehabilitation techniques to bring lakes into full production, shore installations such as ice houses, packing sheds and docks for the primary production of round or dressed fish; and purchase or rental of boats and camp equipment.

Some of the projects for which the committee has earmarked funds this year include assistance to the Northern Ontario Trappers Association fur auction sales, for a programme of instruction in fur marketing, and quality improvement by helping trappers to visit sales; completion of fish marketing studies; continuation of a study of the woodland caribou; incentive pay to encourage Indians to clean and turn in jaws, skulls and other bones for the caribou study; an attempt to develop a census technique for counting beaver by aircraft or helicopters; and test fishing in the Albany and Attawapiskat areas of James Bay.

Private operators are not to be discouraged. Both federal and provincial governments have agreed that with respect to fish processing plants, establishments for fur-marketing or plants for processing and storage of any product derived from the resources under the agreement, they will only enter the field when private companies have failed or refused to do so after being given a reasonable opportunity to undertake the work at their own cost. We, the provincial authorities, have agreed to employ suitable trained Indians on various phases of the resources programme.

I feel, Mr. Speaker, that this is a very important step forward in assistance to the great number of Indians, and other citizens, who live in that part of northern Ontario.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, before the orders of the day, I would like to draw to your attention a very important announcement which appeared in the *Globe and Mail* this morning.

I know that every hon. member will agree with me this announced extension of service provided under the Ontario hospital care insurance plan is real evidence that the government seeks every opportunity to provide more and better service for the people of the province. Not only will better care be possible, but there will be other direct benefits accruing from this extension.

Conditions which, although they might justify admission to hospital yet can be treated on an out-patient basis, are now to be covered by the insurance plan. This will

release a certain number of beds for those who more sorely need admission to hospital.

All of this is further evidence of the government's intention to provide ever better and more extensive service for those insured and is but an extension of the pegging of the premium for a stated period as announced a few weeks ago by the hon. Prime Minister (Mr. Robarts). I may say, too, sir, that it is the continuing intention of government to see that unceasing study is conducted to the end that every possible service may be provided under the hospital care insurance plan.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, on a point of order! I suggest that the announcement in the paper and the hon. Minister's explanation now is really a violation of a tradition of this House. That announcement should not have preceded the budget. I suggest to hon. members that the budget is the proper place to make the announcement. I presume the budget will intimate that particular undertaking will be financed by the budget commitment. For the world of me, I cannot see why that announcement was made prior to the budget time.

Hon. Mr. Dymond: Mr. Speaker, this will be made perfectly clear when the budget is brought down. The hospital plan operates on a calendar year basis and this additional service has really no relationship to the budget at all.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day, I have a question of the hon. Minister of Labour (Mr. Warrender), a copy of which question I have forwarded to him. Mr. Speaker, the question is a series of three, and I will read all three at one time.

(1) Will the hon. Minister advise this House whether news reports suggesting that the hon. Minister of Labour is of the opinion that the Royal York strike has reached a state of a war of attrition are correct?

(2) Does the hon. Minister of Labour now believe that the Royal York strike should or can be determined by the economic forces of management and labour only?

(3) Does the hon. Minister of Labour foresee or believe that there are consequences involved in this strike that involve the public good and require governmental intervention?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, this is a rather long question in three parts. I shall take a few moments to give some background information so that we may answer these questions intelligently and also to the satisfaction, I

hope, of the hon. leader of the Opposition (Mr. Wintermeyer).

Shortly after I was sworn in as Minister of Labour, I took it upon myself to study all of the issues involved between management and the union. Having studied these issues I felt it was time to meet representatives of both sides, which I did; separately at first. We had several of these meetings and when it appeared that they were willing to have me mediate, I entered directly into the picture with both sides at private meetings which took place on January 25, 26 and 27 in the workmen's compensation board offices.

As I say, I spent many hours on this, trying to evaluate the situation so that I might be helpful as a mediator, both sides having indicated they would like me to accept this responsibility. We met for 11 hours altogether *in camera*, in mediation.

On the evening of January 26, the Friday, both sides indicated to me that I, having heard all the arguments pro and con, should submit a proposal to them for their consideration, it being my, at that time, "unofficial" proposal. I prepared the proposal which I think is now known to all, but lest it is not, I have a copy here which I am prepared to file for those who wish to read it.

This proposal was discussed on January 27 for a three-hour period and indications having been given that it was accepted, certainly by the company and with some demurring by the union, it was taken to the union membership. The following Tuesday it was rejected by an overwhelming majority.

Following that, indications were that both sides once again would like me to mediate. I met once again at least on three occasions with representatives of the union, who still said they had faith in me as a mediator. Also, I met twice with representatives of management. At that time, it was indicated to me that their positions were frozen so far as my proposals were concerned. As a matter of fact, the company indicated a stiffening of its position, a more restrictive attitude. When they had indicated that, although they were considering my proposal, their best offer had been to take back only 50 per cent of those on strike and it was unknown when the other 50 per cent would be taken back, if ever.

Faced with this situation, I asked the union to indicate to me what they would do about what I call the "back to work" formula. They indicated that, as far as they were concerned, and they were quite adamant, they would insist that all those on strike would be taken

back to work immediately and if the management decided that some would not be taken back, cause must be shown why that was so. That was the position of the union representatives.

On the other hand, the company took the stand, which I say became more hardened after the proposal had been rejected, that they would not take back all persons and they would not show cause why certain persons would not be taken back.

These were the two positions.

Now with that background of information, sir, I answer these questions in light of my statement, about a war of attrition. From what has happened it is obvious that there is a war of attrition, because no strike could last as long as this one has—since April 24, 1961—without it being a war of attrition.

In respect to the second question, I would say, sir, that in view of the fact both sides have now reached fixed positions, that really there is nothing much can be done at this stage to solve this problem. However, sir, I leave it this way, that when I withdrew from the mediation, and I did so because I felt that having reached this impasse, you might say, that others might want to mediate—they had indicated that they would like to—that I should withdraw and leave it free to anybody else who wished to get into the picture and try to resolve this very difficult problem. But I made it clear at that time also, sir, that if at any time one side or both wished to change its position, or their positions, then I was free to commence once again to mediate to see if I could get them closer together, or possibly resolve the whole problem. I think that answers the second question.

In respect to the third, sir, I think the reply should be that certainly any strike involves the public good and certainly one that has been going on for so long in this community, certainly would affect the public detrimentally; and for the last part of that question, so far as governmental intervention is concerned, I think I indicated that I have intervened to the point where no longer at this time are my services considered necessary. There was an impasse, as I say. But, to conclude, although union and management have indicated they would like me to continue to mediate because of this impasse, I have withdrawn, and indicated to both sides that should they need me again I am available.

Mr. D. C. MacDonald (York South): May I ask the hon. Minister of Labour (Mr. Warrender) a supplementary question? Is he

opposed to the present efforts of Controller Orliffe to settle this strike and, if not, how can such statements as his last night do anything but jeopardize the current efforts of Controller Orliffe?

Hon. Mr. Warrender: I am not opposed to Controller Orliffe or anyone else attempting to mediate this problem, sir, and I do not think my statement has anything to do with what he suggested.

Mr. MacDonald: It certainly did.

Hon. Mr. Warrender: Well, that is what the hon. member says.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I have here two messages from the Honourable the Lieutenant-Governor (Mr. Mackay) signed by his own hand.

Mr. Speaker: The Honourable the Lieutenant-Governor transmits estimates of certain sums required for the services of the province for the year ending March 31, 1963, and recommends them to the Legislative Assembly, Toronto, March 1, 1962.

And the Honourable the Lieutenant-Governor transmits supplementary estimates of certain additional sums required for the services of the province for the year ending March 31, 1962, and recommends them to the Legislative Assembly, Toronto, March 1, 1962.

Orders of the day.

Hon. J. N. Allan (Provincial Treasurer) moves that Mr. Speaker do now leave the chair and that the House resolve itself into the committee of ways and means.

BUDGET ADDRESS

Hon. J. N. Allan (Provincial Treasurer): Mr. Speaker, some ten years ago—on March 20, 1952, to be exact—many of us who were first elected to the Legislature in 1951, were present for the first time on the occasion of a budget address. The period since then has been most eventful. In what now seems an incredibly short period of time, one year has crowded in upon another, nations have been born while others have ceased to exist, atomic power has commenced to serve mankind, astronauts have circled the globe. Ten years ago this would truly have seemed impossible. It is a significant demonstration of the times in which we live.

The hon. Treasurer who delivered that address, that budget address of ten years ago,

is with us today, and we are indeed happy and pleased that he is. Farsighted as he has been in the matter of Ontario's expansion and development, in looking back he must be impressed as we are with the speed and magnitude of that expansion and development. And I would like particularly to point out that the total ordinary expenditure forecast in the budget statement of 1952 is now exceeded in 1962 by the estimates of one department—that of Education.

This is the fourth year I have had the privilege of presenting our fiscal programme to the Legislature. As in the past, each year presents its demands for new undertakings and expenditures. The fiscal and economic plan upon which we have been engaged is, of course, not the product of a day or even of a month. It is a continuing process of planning and managing our services and finances in a manner that will promote the sound economic growth of our province.

Ours has not been an easy task. We have had to deal not only with the compelling needs for those services for which we are directly responsible, but also for those of our municipalities which are confronted with the same problems of growth and expansion that beset the province. I shall refer more fully to this assistance to the municipalities and the school boards later in my remarks.

At this point, I would simply call the attention of the House to the fact that this budget provides for the transfer to our municipalities and local agencies of \$425 million, which is 45 per cent of our current revenues and equal to the province's total budget for all purposes just nine years ago.

This may seem incredible, but it is true. It means that next year we will be transferring to the municipalities more than 2.5 times the amount of our estimated revenues from the new retail sales tax. The increase in this transfer to the municipalities and local agencies alone, and excluding the province's \$29 million contribution to the new vocational and technical programme, totals \$50 million. This is a large portion of the sales tax revenue we will collect next year.

We trust that the municipalities and the school boards will recognize that these increased transfers are made only at very considerable sacrifice to the province, as witness the introduction of the sales tax last year. Nevertheless, we believe that they have assisted our municipalities to provide a favourable climate for industrial and population growth. Through these large grants-in-aid, we have been able to stabilize local real

property rates and keep them within manageable dimensions. If the provincial load of taxation has been increased thereby, that of the municipalities has been correspondingly lightened.

This budget, like its predecessors, has been formulated to exert a positive effect upon the Ontario economy. Our continuing goal has been to maintain a stable and high rate of economic expansion. Obviously a number of powerful forces which influence the level of our economic activity extend beyond our control. Nevertheless, we have continuously sought to formulate and mobilize our resources to foster economic growth and higher living standards for our people. It is, therefore, gratifying for me to report to the hon. members of this House that our gross provincial product is today running six to seven per cent higher than that of a year ago.

Employment has improved. Ontario's rate of unemployment, on a seasonally adjusted basis, is down almost 50 per cent compared with a year ago and is substantially less than that of the rest of Canada and the United States. Retail sales showed a modest increase last year and are expected to rise more in 1962. The prospects are bright for continuing growth and for increases in personal incomes, corporation profits and savings.

I am confident the hon. members will agree that this budget will not only contribute to the maintenance of this economic momentum, but will facilitate those structural changes in the economy essential to our long-term growth. In this budget we give recognition to the rapid changes that are occurring in technology, production and trade, which call for a stepped-up programme of vocational training and retraining. We are also cognizant of the need for an expansion of our schools and universities. Indeed, this year our appropriation for education totals \$329.8 million, an increase of \$60.9 million. Included in this appropriation is \$45.4 million for universities, an increase of \$8.4 million. Education alone accounts for half the increase in our budget this year. Upon the standards of our education will depend the ability of Ontario and Canada to progress in the highly technical and commercial world of which we are a part.

Equally fundamental to our long-term development is the health and physical fitness of our people. This budget provides for an expansion of medical, mental health and dental services and of the work of the

Alcoholism and Drug Addiction Research Foundation. The budget also makes provision for an extended housing programme aimed at achieving higher standards of housing accommodation for all our people, recognizing, as we do, that adequate housing is fundamental to the aims of our society.

The budget makes provision for an expansion of facilities in The Department of Economics and Development, and also for the creation and operation of an economic council, which consists of representatives of government, management, labour, agriculture, as well as the natural resource and export industries.

Emphasis will be placed upon measures to promote increased prosperity in the northern parts of the province. The Ontario Northland Railway will extend its line to service the new Jones-Laughlin Iron Mill at Dane at a cost of \$1 million. It is also undertaking a \$7.2 million extension of its telephone and other communication facilities. Research will be undertaken into spruce bark and pulpwood utilization, the jet smelting process, nuclear energy and other matters.

We will introduce a new Northern Ontario Health Service to operate in four centres. In addition, a new bursary programme will encourage medical and dental students to practise their profession in the less populated regions of the province.

The budget provides for an increase of 200 in the strength of the Ontario Provincial Police. There will be a further expansion of parole, probation and rehabilitation services.

New measures are being adopted to expand and improve the parks and recreational facilities of the province. Provision is being made for the erection by the Ontario-St. Lawrence Development Commission of a fully equipped restaurant adequate to serve the many visitors to Upper Canada Village.

Increased appropriations are required in order to pay the provincial share of the \$10 a month involved in raising the old-age assistance, blind and disabled pensions from \$55 to \$65 per month, effective last February 1.

Increased expenditures are required in order to carry out our highway programme. There will also be further improvements to the system of motor vehicle registration and inspection.

In order to stabilize the premiums for hospital insurance, this year the province will contribute \$57.5 million from its general revenues. We are also providing a special

additional payment of \$2.8 million to the hospitals for capital and debt retirement purposes. Provision will be made for an expansion of out-patient services.

I cite these examples to indicate some of the growth factors in the budget of \$1,126 million for 1962-1963 that I am presenting to you today. This is an increase of \$128.9 million over our estimated expenditure in this current fiscal year. I would like to impress upon you the magnitude of this expenditure and the revenues which are required to finance it. There is no magical way for the province to obtain revenue other than by taxation or borrowing. While a judicious use of our credit is not inconsistent with sound finance, excessive borrowing may compound our problems. I think, therefore, that we should not ignore the warning lights that are now appearing.

So far, despite the maladjustments created by changes in international trade and a slower rate of growth than we would like to see, we have managed to maintain a strong financial position. We have been able to obtain an improvement in our tax-sharing arrangement with the federal government. We have also had the courage to impose a sales tax which this budget demonstrates conclusively was unavoidable if we were to assume the heavy responsibilities of education, health and other vital services.

The improvement in economic conditions will be reflected in increased revenues particularly corporation tax revenue, which last year declined more than we had anticipated owing to the reduction in corporation profits. In the coming year we are also anticipating larger revenues from personal income and sales taxes, and from several other sources.

We should aim as far as possible in the future to obtain the revenues required for increased services from the normal growth and expansion of the economy. Our structure of taxation is one of the lowest in Canada. For example, we have the lowest rate of any province imposing a sales tax. In no other province is the personal income tax lower than in Ontario, and in two provinces it is 20 per cent higher. One of our largest sister provinces has a higher corporation tax and sales tax. Nevertheless, we must strive as far as possible to confine the extension of our services to the revenues which are raised from the expansion of our economy.

In the light of the large grants to municipalities and educational authorities, very close examination and re-assessment of expenditures will be made.

Neither our revenue sources nor the growth

in our revenues are sufficient to meet all the demands which are being imposed upon us for educational, health, municipal and other services. It is therefore necessary to establish a scale of priorities and exercise the maximum of economy.

The financial position that I will outline demonstrates the necessity of the sales tax imposed last September. Despite the revenue from this source, the extraordinary requirements, particularly for education and health, are of such magnitude that we will still experience an appreciable shortfall in revenue. Thus the wisdom of the decision, that we took a year ago, to employ a new source of taxation has been vindicated.

This budget marks the first step in a new five-year plan. We are glad that the federal government has embarked on a similar plan. We are deeply conscious of the importance of co-operation between the federal government and the provinces. Under this plan our aim will be to maintain an adequate rate of economic growth consistent with the financial capacity of the province. Through our economic council and various departments and agencies, discussions will be held with industry, management and labour on ways and means of fostering more processing, expanding exports and increasing the Canadian content of our products.

To provide the most satisfactory assurance of adaptability to economic change and long-term economic growth, we will continue to seek new methods of raising standards of education and job retraining, of improving health and physical fitness, of safeguarding

our natural heritage, and of strengthening our system of highways and roads and other services.

All these aims must be related to the financial capacity of our people and our industries. We must avoid any rate of taxation which will be a deterrent to the type of expansion and development that our positive programme is designed to achieve. In other words, we must keep things in balance. We must proceed in accordance with good judgment and good sense and obtain the maximum value out of every dollar of expenditure.

In the current fiscal year we have managed to keep our spending below \$1 billion. This year it is estimated at \$1,126 million. We in the provincial government will make every effort to economize. We ask the municipalities and the school boards to scrutinize their spending and enforce economy at every turn. If we are to keep within our objective of financing expanded services out of the increase in our revenues arising from normal growth and development, all public spending bodies must be made conscious of the direction in which their spending trends are leading.

SUPPLEMENTARY ESTIMATES, 1961-1962

Before I summarize the financial operations of the current fiscal year ending March 31, 1962—based on nine months' actual operations and three months' forecast—I should like to present for your consideration and approval a number of supplementary estimates totalling \$13,973,000. (See adjoining table.)

EDUCATION

Assistance to school boards to provide and equip new vocational units	\$ 9,000,000	
Provincial institute of automotive and allied trades—salaries, travelling expenses, maintenance, instructional supplies, purchase of equipment	73,000	
Teachers' superannuation fund—special contribution	<u>1,000,000</u>	\$ 10,073,000

HEALTH

Special grants to public hospitals under the authority of The Public Hospitals Act and the regulations thereunder—this will provide a grant of \$75 per bed to all qualified public hospitals in Ontario	\$ 2,800,000	
Ontario heart foundation	<u>100,000</u>	2,900,000

TREASURY

Public service superannuation fund—special contribution	<u>1 000 000</u>	
TOTAL		<u><u>\$ 13 973 000</u></u>

SUMMARY FOR 1961-1962

Net ordinary expenditure, including \$14 million in supplementary estimates, \$35.8 million for sinking fund, and \$28 million for capital payments out of ordinary revenue, is estimated at \$813.3 million. Net capital expenditure is estimated at \$211.5 million, of which \$175.5 million is for provincial highways and roads—including \$47.5 million for municipal subsidies; \$32 million for public works, including Ontario hospitals; \$2 million for logging roads and conservation works and \$1.6 million for mining access roads. After deducting \$28 million from net ordinary expenditure for capital construction financed out of ordinary revenue, our combined net ordinary and net capital expenditures in 1961-1962 are estimated at \$996.8 million—an increase of \$125.2 million over combined expenditures of \$871.6 million in 1960-1961.

As forecast in my budget statement last year, the major increases in combined net ordinary and net capital expenditures in 1961-1962 are for education and health, which rose by \$42.4 million and \$42.8 million respectively, representing nearly 70 per cent of the growth in expenditures. Other increases in expenditure included \$9.2 million for highways and roads, \$6.6 million for lands and forests, \$4.1 million for public welfare, and \$6.2 million for public debt interest, etc.

When I brought down my budget last year, I estimated that combined net ordinary and net capital expenditures would amount to \$1,015,251,000. Estimates of expenditure for 1961-1962 indicate that our outlays will be some \$18.5 million below the amounts appropriated by this Legislature, after providing an additional \$14 million in supplementary estimates.

Net ordinary revenue and net capital receipts for 1961-1962 are estimated at \$815.1 million, of which \$1.4 million represents net capital receipts. This is an increase of \$73.4 million over combined net ordinary and net capital revenues for 1960-1961. All of the increase in revenues is attributable to the retail sales tax, which it is estimated will yield \$76 million in the fiscal year just closing.

I might repeat that; all the increase in revenues is attributable to the retail sales tax, which it is estimated will yield \$76 million in the fiscal year just closing.

Although small increases in most of our major sources of revenue are recorded in 1961-1962, these were more than offset by the fall in receipts from corporation income tax of \$19.7 million and in mining taxes of \$4.8 million.

Principal sources of revenue are: corporations tax—\$166 million; personal income tax—\$120.7 million; gasoline tax—\$164 million; liquor control board—\$82.6 million; retail sales tax—\$76 million; motor vehicle licences—\$69.4 million, and succession duty—\$40 million.

Our interim surplus on ordinary account is estimated at \$432,000 after providing \$28 million for capital works financed out of ordinary revenue and \$35.8 million for sinking fund. After providing \$211.5 million for new capital construction, our shortfall of revenue in this current fiscal year 1961-1962 is estimated at \$145.9 million. By careful management we have been able to reduce this shortfall by \$34 million below that which I anticipated a year ago.

NET CAPITAL DEBT

The province's net capital debt as of March 31, 1962 is estimated at \$1.2 billion—an increase of \$148.1 million over that of a year ago. Since the end of World War II, however, we have invested over \$2 billion in highways and roads, hospitals, schools, and other physical assets, and have added only \$758.1 million to the net capital debt.

We have endeavoured to adhere to a policy of prudent use of our credit combined with a moderate structure of taxation. I recognize that some people will say we should have financed a larger part of our capital expansion out of current taxation, that is by raising our rates of tax. We have constantly kept in mind, however, the need for maintaining a favourable tax environment for industry to expand and provide the employment opportunities required by our growing work force.

In terms of both the capital assets we have created and our growing population, the increase in the net capital debt has been very reasonable. For instance, the province's net capital debt amounts to only 10 per cent of Ontario's total personal income now, compared with 14 per cent 16 years ago. In terms of the government of Ontario's revenue it would require only 1.25 years' revenue to repay the net capital debt today compared with 3.5 years' revenue in 1946. Thus, while we have made use of our credit to assist us in stabilizing our tax system and in financing our capital programme, our debt today is well within manageable limits.

To provide for the orderly retirement of the province's debt, it is our intention to appropriate annually from the ordinary revenues of the province, monies sufficient to retire over a 35-year term that part of our debt

which was incurred prior to April, 1943. All debt incurred subsequent to that date will be retired over a 30-year term. Moreover, we intend to make provision for retirement of all future loans over a 30-year term. These measures will provide stability in our debt retirement programme and will assist in keeping the province's credit rating high.

EXPENDITURES AND REVENUES, 1962-1963

Net ordinary expenditure for 1962-1963, including \$39 million for sinking fund and \$66 million for capital disbursements financed out of ordinary revenue, amounts to \$961.5 million—an increase of \$148.2 million over 1961-1962. After allowing for additional appropriations of \$38 million for capital disbursements to be financed out of ordinary revenue and \$3.2 million for additional appropriations for sinking fund, the increase in departmental expenditures, including debt interest, etc., is forecast at \$107 million.

Of this increase, \$60.9 million or 57 per cent will go to education. An increased appropriation of \$12.5 million will be required for health, \$5.8 million for public welfare, \$3.5 million for municipal affairs and \$6.8 million for the maintenance of our highways and roads.

The province's capital programme will also be increased next year by \$18.8 million to a record level of \$230.3 million. Just seven years ago in 1954-1955 the requirements of our capital programme amounted to only \$80.5 million or about one-third of next year's requirements. This is an indication of the government's programme to develop sound physical assets and, at the same time, support high levels of employment and income.

In total, combined net ordinary and net capital expenditures in 1962-1963 are forecast at \$1,125.8 million, an increase of \$128.9 million over 1961-1962. The major spending departments—ordinary and capital expenditures combined—with figures for 1961-1962 appended in brackets, are as follows: education \$329.8 million (\$268.9 million); highways \$264.3 million (\$247.2 million); health \$144.2 million (\$131.7 million); public works \$49.9 million (\$43.4 million); municipal affairs \$43.5 million (\$40 million); public welfare \$60.9 million (\$55.1 million); and lands and forests \$31.9 million (\$29.9 million).

Net ordinary revenue and net capital receipts are forecast at \$963.2 million, of which \$1.3 million is for net capital receipts. The forecast anticipates that our combined revenues will increase by \$148.1 million. A major share of this increase—\$84 million—

reflects a full year's revenue from the retail sales tax.

As hon. members are aware, this sales tax was only in operation for seven months in the 1961-1962 fiscal year. The new arrangements with the federal government for the sharing of the personal income tax field combined with improved yields are expected to increase revenues from this source by \$32.5 million and an additional \$19 million is anticipated from higher levels of corporate profits.

Major sources of revenue in 1962-1963 are forecast as follows: corporations tax, \$185 million; income tax collection agreement, \$153.2 million; retail sales tax, \$160 million; succession duty, \$40 million; gasoline tax, \$170 million; motor vehicle licences, etc., \$70.9 million; Liquor Control Board, \$84.6 million; timber dues, bonus, etc., \$13 million, and mining profits' tax, \$12.1 million.

A surplus on ordinary account of \$374,000 is forecast for 1962-1963 after providing \$39 million for sinking fund and \$66 million for financing capital construction out of ordinary revenue. However, since our expanded capital programme for 1962-1963 calls for outlays of \$230.3 million, the shortfall of revenue on overall account is forecast at \$123.6 million.

SOCIAL SERVICES AND HUMAN BETTERMENT

Increased productive capacity in Ontario has made possible one of the highest standards of education, health and welfare in the world. No one will deny the vital importance of good education, good health and adequate welfare standards to relieve suffering and distress. We must, however, constantly recognize that all these services have to be financed out of the product of our industry and our labour. The mounting cost of these services is one that calls for the most careful attention, study and consideration. A decade ago the combined expenditures of the Ontario Departments of Education, Health and Welfare amounted to \$137 million. During this current fiscal year they totalled \$456 million and next year they will increase to \$535 million. A decade ago they formed 37 per cent of our total budget; today that proportion has grown to 47 per cent.

The rapidly rising cost of these three services, which shows no sign of levelling off, must be a matter of the most serious concern to all hon. members of this House.

Many complex questions arise to which we have been giving careful attention. A number of the factors contributing to these rising

costs are beyond the province's control. Many restraints or economies must be exercised at the local level. It is true that the enrolment in our school system has been increasing spectacularly, double the rate of growth of our overall population, but school costs have been rising even more rapidly.

The same situation exists in the fields of health and welfare. The use of hospitals is increasing, but the trend in cost is rising even more rapidly. In welfare, improved benefits and a broader programme are also making their effects felt on costs. The whole matter is one which might well commend itself to the careful study of all the hon. members of this House.

That the government of Ontario has been giving, and is continuing to give, leadership in this area is graphically illustrated by the improvements that have been made in the educational programme and in the financial assistance provided to the school boards and universities.

There is, I think, justification for this. Never before has the role of education in preparing our young people for the future been more vital to our economic and social progress, indeed, even to our national survival, than it is today. Some people have expressed apprehension about our ability to adapt and adjust ourselves to the new world environment which is emerging. However, I would remind them that, while difficult tasks lie ahead, at no time have the opportunities for expanding trade and promoting betterment been so widely manifest.

As a result of the scientific and technological advances of recent years, it has become increasingly apparent that the existing courses of our high schools and collegiate institutes throughout the province should be modified to meet the new requirements of many present-day pupils of secondary school age, especially those who do not intend to proceed to higher education of the traditional type. More commercial and technical instruction at this level is required. Accordingly, the provincial government is refunding to local secondary school boards 100 per cent of approved capital expenditures made up to April 1, 1963, for vocational school accommodation. The province will be reimbursed for 75 per cent of the payments by the federal government under terms of the new Federal-Provincial Technical and Vocational Training Agreement effective April 1, 1961.

It is gratifying to report that an unprecedented number of school boards is providing vocational accommodation for the teaching of commercial and technical courses. By the

end of 1961, no less than 202 building projects had been initiated. In most cases existing secondary schools are becoming composite schools, although a number of entirely new vocational schools are being established. It is estimated that expenditure made in this province under the agreement, including the cost of schools under local boards and The Department of Education, will total \$200 million.

This programme permits considerable reorganization of the secondary school curricula. The students are offered three courses: arts and science, for those who wish to pursue an academic career; business and commerce, for students whose interests lie in the direction of business administration or management; and science, technology and trades, for those who wish to enter applied science courses or technological institutes.

By taking a five-year course in any of these three divisions, pupils of ability may proceed to university, teachers' colleges or technological institutes. For students who wish to attend secondary school for only four years, special courses are being designed in each of these three divisions. In addition, occupational courses of one or two years' duration will be offered for non-academic students preparing for early entry into our labour force.

To supplement these measures an extensive building programme is underway to modernize and enlarge technical training facilities at the post-secondary school level. Work on the west wing of the Ryerson Institute of Technology in Toronto is well advanced and a new building for the Eastern Institute of Technology in Ottawa will shortly be erected. A new institute will also be provided at Kirkland Lake to serve north-eastern Ontario. Progress is also being made in establishing four new provincial trade schools to be located in London, Ottawa, Sault Ste. Marie and Toronto. None of this new construction involves any capital cost to the municipalities.

Excellent progress is being made in recruiting and training the teachers required to staff our constantly expanding school system. Teacher supply for the elementary schools nearly met the demand in 1961, although some shortage of staff for the separate schools still persists. In September, 1961, a total of 6,058 students enrolled in the ten teachers' colleges throughout the province. In the same month, the Lakehead Teachers' College commenced operating from its new building in Port Arthur, with enrolment totalling 231. Construction

is also under way on a new teachers' college in the Windsor area to serve the counties of Essex and Kent. Teacher supply for the secondary schools has increased significantly.

Our construction programme to provide new school buildings and enlarge existing school accommodation in all parts of the province has continued vigorously. During last year, 66,150 pupil places were provided in the elementary school system at a cost of \$53 million and 19,520 pupil places were provided for secondary schools at a cost of \$32 million.

While these figures reveal a deceleration in the building programme, I would point out that the volume of secondary school construction will undoubtedly advance sharply in 1962 and 1963 due to the provision of technical-vocational accommodation made possible by federal-provincial grant support.

Just as increasing enrolments have brought problems of accommodation to local school boards, higher enrolments in the Ontario schools for the blind and deaf have made additional building necessary. A new wing was added a year ago to the Ontario School for the Blind at Brantford. A second school for the deaf is under construction at Milton, which, when completed, will add significantly to the educational facilities available to deaf children in the province.

The enrolment in our elementary and secondary schools in this 1961-1962 school year totals 1,462,000, which is an increase of 73,000 over the previous year and 674,000 over the enrolment just ten years ago. Elementary and secondary school enrolment has nearly doubled in that short period of time.

The combined effect of the increase in enrolment, higher teachers' salaries and improved educational opportunities and standards is readily apparent in the rise in our school grants, which in 1962-1963 will total \$208 million, an increase of \$26.9 million over those provided in the current fiscal year.

Included in this amount are the special grants that are being made under the terms of The Residential and Farm School Tax Assistance Grant Act passed at the last session to give local tax relief to residential and farm property. In 1961-1962 this grant was \$5 per pupil of elementary and secondary school enrolment for a total expenditure of over \$6 million. For the coming fiscal year the basis of the grant will be \$15 per pupil of elementary school enrolment and \$5 per pupil of secondary school

enrolment. This means that total payments under the Act will rise to an estimated \$16 million.

In evaluating our assistance to education, the province's contribution to the teachers' superannuation fund is often overlooked. This payment is continuing to rise steadily, and next year will reach a total of \$18.3 million.

Recognizing the urgent need for university expansion, the province is again raising both its capital and maintenance grants. In the fiscal year now ending, capital grants of \$17.7 million and maintenance grants of \$19.3 million were made available to 13 universities and colleges.

In 1962-1963 our grants for capital and special purposes will be increased to \$22.4 million, while maintenance grants will be increased to \$23 million. The net effect is that the grants to universities will be raised in 1962-1963 to \$45.4 million, an increase of \$8.4 million over those being paid in the current fiscal year. In the last two years alone the province's grants to universities have been increased by \$15.5 million, or by 52 per cent. This is eloquent testimony of the support we are giving to the universities and colleges in meeting the demands that lie ahead.

The table on page 690 shows our grants to the individual universities and colleges for the coming fiscal year.

A detailed list of grants to the various universities follows and hon. members will see this as a statement that will be given to the hon. members of the House very soon.

Now, Mr. Speaker, the government's comprehensive programme of student aid is clearly achieving its objective of ensuring that no student who has the ability to benefit from higher education is denied the opportunity because of his financial circumstances. In the fiscal year now ending, more than 5,200 students received bursaries and scholarships totalling nearly \$1,450,000.

Greater use of the facilities available under the province's student aid loan fund established in 1958 is now being made by our students. In the current fiscal year more than 4,000 applications totalling more than \$1,750,000 have already been approved. Scholarships will also be awarded under the Queen Elizabeth II Scholarship Fund.

Among the functions to be carried out in association with our educational system is a programme of physical fitness aimed at improving the general vigour and health of our school children and our young men and women. We have appropriated \$100,000 in

GRANTS TO UNIVERSITIES 1962-1963

	<i>Maintenance Grants</i>	<i>Capital and Special Grants</i>	<i>Total</i>
	(\$000's)	(\$000's)	(\$000's)
University of Toronto	10,750	7,100	17,850
for Royal Ontario Museum	1,050	—	1,050
for Ontario College of Education	1,475	—	1,475
University of Western Ontario	1,650	2,000	3,650
Queen's University	1,650	2,000	3,650
McMaster University	1,425	2,000	3,425
Carleton University	900	2,000	2,900
University of Waterloo	850	1,800	2,650
Essex College (Assumption University of Windsor)	650	1,750	2,400
University of Ottawa—for instruction in medicine and the sciences	900	1,250	2,150
York University	700	2,000	2,700
Laurentian University of Sudbury	350	125	475
Lakehead College of Arts, Science and Technology	185	250	435
Ontario College of Art	225	—	225
Osgoode Hall Law School	150	150	300
Special grants for archaeological research	10	—	10
McMaster University—for the Royal Botan- ical Gardens	100	—	100
GRAND TOTALS	<u>23,020</u>	<u>22,425</u>	<u>45,445</u>

1962-1963 for this programme. This will supplement the national physical fitness scheme which is now underway.

Mr. Speaker, I make no apology for dealing so extensively with our educational programme and its cost. It is a matter of transcending importance. The net appropriation of The Department of Education which you are being asked to approve for 1962-1963 totals \$329.8 million. This is an average provincial outlay, excluding the contributions made by the municipalities, of more than \$200 per student in our elementary and secondary schools and universities. It absorbs virtually all the revenue that we will obtain from the sales tax, personal income tax and from succession duties. The increase for education in next year's budget of \$60.9 million is the largest in the history of our province.

Another of our major challenges is that of constantly safeguarding and improving the health of our citizens.

Remarkable progress has been made in the last few years in the reinforcement and further expansion of our public health services. Recognizing that the unorganized areas of the

province are less able to supply adequate health services, it is our intention this year to introduce a new northern Ontario health service operating in four centres.

Furthermore, in order to bring about a more equitable distribution of family physicians and dentists throughout the province and encourage the services of these essential professional personnel in the less populated regions of the province, a new bursary programme will be introduced. A number of medical and dental students will be provided with bursaries on the understanding that they will repay them in part by serving in areas of the province where the need is greatest.

Particular attention will be focused on the care, treatment and rehabilitation of the mentally disturbed. Much progress has recently been made in renovating and modernizing existing Ontario hospitals, but the establishment of new small hospitals and the provision of local out-patient and day-care centres and ancillary supporting services will place even greater emphasis upon the diagnosis, active treatment and rehabilitation of curable cases. The needs of mentally

handicapped and emotionally disturbed children are also receiving attention.

In consequence of this enlarged programme the estimated expenditure for mental health purposes in 1962-1963 will total \$58.4 million, which is an increase of \$5.6 million over that in the current fiscal year.

Our hospital care insurance plan, which has been in operation for three years, continues to be an unqualified success. The popularity of the plan is reflected in the numbers enrolled—slightly over 96 per cent of the population. To stabilize the present premiums of \$2.10 monthly for a single person and \$4.20 monthly for the family unit for the next two years, we are including in this budget an appropriation of \$57.5 million from general revenue to meet this situation, or \$7.5 million more than was provided in 1961-1962.

The provisions and coverage of Ontario's Hospital Care Insurance Plan are continuously reviewed and this year a limited extension of out-patient services will be included under the benefits of the plan. The new provisions will include coverage for certain out-patient services, such as initial and follow-up visits to conclude emergency treatment started within 24 hours after an accident. The Ontario Hospital Services Commission will also allow, as a plan benefit, out-patient services where equipment and facilities are available at a hospital and where, on the advice of the medical staff, the services can properly and safely be performed on an out-patient basis. These services will be made available to patients who would otherwise require admission as in-patients. The cost to the commission for these extensions of benefits is estimated at \$1,541,000 in 1961-1962. This new measure should free a number of hospital beds for the treatment of in-patients and result in savings in capital construction and maintenance costs.

Apart from these extended benefits, a new project aimed at streamlining hospital usage throughout Ontario is under way. In conjunction with the province and the city of Toronto, a hospital-based home care programme is being carried out on a pilot basis by the New Mount Sinai Hospital and the Toronto Western Hospital. This programme is directed towards enabling patients to leave hospital earlier than customary, and receive medical attention in their homes. It is anticipated that some 300 beds will be released for active treatment patients as a result of this experiment.

As in recent budgets, I am including in the supplementary estimates the amount of

\$2.8 million to provide a payment of \$75 per bed to all qualified public general hospitals in the province for retiring debt or for some other capital purpose.

To implement this enlarged programme we have increased the appropriation of The Department of Health for 1962-1963 by \$13.4 million to \$144.2 million.

Welfare expenditures have been substantially increased over the years. In this current fiscal year, the province will spend \$55.1 million from provincial tax sources—or more than four times as much as a decade and a half ago. This large increase in welfare expenditure arises from four main areas: the introduction of new social welfare measures; the extension of the scope and scale of existing welfare services; the province's assumption of an ever-increasing share of the welfare burden formerly borne by the municipalities; and the large increase in population.

You will be asked to approve a larger appropriation to carry out the province's welfare programme for 1962-1963. Greater emphasis will be placed upon rehabilitation, not only with respect to handicapped persons, but also through measures aimed at restoring individuals and families to an independent status. The increase, effective last February 1, in the allowances to the aged, the disabled and blind persons to a new maximum of \$65 monthly will serve this end. An increased appropriation will be required in the home-makers' and nurses' services to keep families together during emergencies that arise from accidents, illness or other distressing conditions. Additional funds are also required to provide supplementary aid to meet extraordinary expenses incurred for shelter, drugs and other special needs. The programme of assisting handicapped persons to receive vocational training courses will be expanded. Each year the number of children placed in adoption homes is increasing. Every effort is being made to find suitable adoption homes for the wards of children's aid societies.

While the primary objective of our many-sided welfare programme is to provide assistance to those in need, it is evident too that such measures in themselves act as built-in stabilizers to our economy, producing benefits that have an effect on the whole economy.

It is estimated that our expenditures for welfare in the next fiscal year will reach the highest level in our history. The cost of these services to the province in 1962-1963 is estimated at \$60.9 million, an increase of \$5.8 million over the amount expended in 1961-1962.

HIGHWAYS AND ROADS

To ensure and promote the continued growth and expansion of Ontario's economy we have continually extended and improved our highway and road system, connecting and integrating our diverse and far-spread regions. This is clearly reflected in the province's total expenditures on highways and roads, which have risen from \$22.9 million in 1945-46 to \$103 million in 1951-52 and to \$247.2 million in 1961-1962—from \$23 million in 1945 to \$247 million in 1961.

Tangible evidence of the use of our highways and roads is indicated by the increase in registered motor vehicles in the province, which numbered 665,000 in 1945 and now total 2,123,286.

During 1961-1962 no less than 473 miles of paved highways were completed and 78 structures erected. Notable items in the current year's programme include: the completion of five sections of Highway 401, bringing to 377 miles the stretch of this trans-provincial freeway now in use; the widening to six lanes of the Queen Elizabeth Way between Highway 27 and Highway 10; the commencement of construction on the new controlled-access Highway 403, which will link the Queen Elizabeth Way near Burlington to Highway 401 near Woodstock; the extension of Highway 10 to four lanes between Highway 5 at Cooksville and Highway 2 at Port Credit; the opening of the second stage of the \$35 million Ottawa Queensway; completion of the 585-foot bridge over the Pic River between White River and Marathon, and the 989-foot bridge which carries the new Peterborough by-pass on Trans-Canada Highway 7.

Important as this expansion is, we have not overlooked the necessity of ensuring that the existing highway system throughout the province is reconstructed and repaved in conformity with modern engineering standards. Among our many activities in this area during 1961-1962 were: the reconstruction of more than 225 miles of the Trans-Canada Highway, the completion of the long-term 267-mile paving programme between Longlac and Cochrane, including the paving of 53 miles between Hearst and Kapuskasing, and a start on the reconstruction of 22 miles of Highway 11 to further improve the 625 miles between North Bay and Nipigon—the northern route of the Trans-Canada Highway.

Ontario's total expenditure on highways and roads in the current fiscal year amounted to \$247.2 million, of which \$71.7 million was for maintenance and \$175.5 million was for

capital purposes. Provincial road subsidies to the municipalities and unincorporated townships in northern Ontario, which are included in the foregoing, totalled \$73.1 million, of which \$48.2 million was for new construction. Taking into account the amounts that the municipalities themselves will spend, the outlay for highways and roads in the province in 1961-1962 will total \$318.7 million—almost three times the amount spent a decade ago.

Our programme for the 1962-1963 fiscal year provides for further expansion of the province's long-term plan of highway improvement and modernization, and also for continuation of the work on such major projects as Highways 11, 401 and 403, the Trans-Canada Highway and the Ottawa Queensway. Work will also be commenced on the new controlled-access route to the Toronto International Airport.

To finance the 1962-1963 highway and road programme we are providing appropriations totalling \$264.3 million. This is an increase of \$17.1 million over expenditures in the current fiscal year. Of the total 1962-1963 appropriation, \$78.4 million is being provided for maintenance and \$185.9 million for capital purposes. This includes \$80.9 million for municipal subsidies, of which \$29.1 million is for maintenance and \$51.8 million is for capital construction. This will provide for a combined provincial and municipal programme of \$343.3 million—an increase of \$24.6 million over the combined total in 1961-1962.

AGRICULTURE

With the emergence of increasing competition in world trade and the development of new food products and modern means of transportation, it has become evident that all branches of our agricultural industry have to aim at the highest levels of efficiency and quality of production. In the light of measures adopted to ensure that Ontario agriculture remains in the forefront of development, it is gratifying to note that in 1961 the yields of all major field crops exceeded the average of the last 10 years and that farm cash income reached the highest point in its history.

In the coming fiscal year, steps will be taken to strengthen research and marketing facilities. The establishment of the Agricultural Research Institute, which will co-ordinate all research undertaken by the department, constitutes a history-making development capable of offering benefits to all phases of Ontario's agricultural economy.

Several new buildings have been added in recent years at the Ontario Agricultural College and the Ontario Veterinary College at Guelph. New projects planned include a \$3 million science building and a \$1 million poultry pathology and virology building. Proposed legislation will bring the two colleges and Macdonald Institute under one administration, which will permit greater co-ordination of activities.

The Ontario Hydro-Electric Power Commission further extended its network of primary distribution lines by an additional 430 miles last year, bringing the total to more than 48,300 miles. About 487,000 rural customers, including 139,000 farmers, are now served by the commission. This number does not include customers living in areas which have been amalgamated with or annexed to urban municipalities. During 1961 the commission actually added some 25,000 to the number of rural customers being served, including 1,550 new farm customers.

To facilitate the expansion of agricultural activities, expenditures of The Department of Agriculture, which in 1961-1962 are estimated at \$16.4 million, will be increased by \$0.6 million to \$17 million in 1962-1963.

NORTHERN ONTARIO DEVELOPMENT

Hon. members, and particularly those from the northern parts of the province, will find much in this budget that is encouraging. Our programme for northern Ontario is being accelerated. Several departments, including The Departments of Lands and Forests, Mines, Economics and Development, Travel and Publicity, and Agriculture, as well as the economic council, the Ontario Research Foundation, and the Ontario Northland Railway, are stepping up their programmes to stimulate northern development.

The objective will be not only to bolster the northern economy in the short run, but to undertake a number of studies and research projects which will enhance its prospects for the future. Our objective is to develop new products, process more of our natural resources in Ontario and expand sales in markets at home and abroad.

Among the most promising facets of these developments has been the exploration for and development of new mines. This has been facilitated by the federal-provincial airborne geophysical survey which covered 60,000 square miles in 1960 and another 34,000 square miles last year. During the coming year an additional 35,000 square miles will be surveyed. Field parties are

also being organized to follow up these surveys and give assistance in the development of new resources.

Plans to bring several iron ore properties into operation are in various stages of development. This spring, construction will commence on a \$30 million mine and mill plant for processing and pelletizing iron ore at the Dane iron ore deposits, 20 miles north of Englehart. It is expected that this operation will ultimately employ 400 men. Development activities are also continuing north of Nakina, south of Kowkash, near Lake St. Joseph, south of Red Lake, Timagami and elsewhere.

The conservation and regeneration of our forests is also receiving fresh attention. In the interests of continuing development and greater perfection in the management of our forests, the province's forest resources inventory is being updated. In 1961, a total of 11,300 square miles were rephotographed from the air; this year a much larger area is to be covered.

At present more than 156,000 acres of forest land are under the management of the department on behalf of municipalities and conservation authorities. Next year some 10,000 acres will be added to the total. The province's tree nurseries produced 45 million trees in 1961; this number is expected to be increased to 52 million in 1962 and 57 million in 1963.

Under the federal-provincial "Roads to Resources" programme, initiated in 1958, some 225 miles of access road will have been virtually completed by the end of this year. Construction of an additional 150 miles of road has been approved under the agreement, estimated to cost \$15 million. A further 100 miles of access roads are being built or upgraded.

A number of other agencies are collaborating in the study and formulation of methods that will accelerate growth in the north. For instance, the Ontario Northland Railway will build, at a cost of about \$1 million, a new spur line of 4.7 miles to the Dane iron ore deposits. Construction is expected to commence about May 15 and the line is scheduled to be completed by the fall. When haulage operations begin in 1963, the Ontario Northland Railway is expected to carry about 50 car loads of pelletized ore a day for five days a week.

The railway has also embarked on a major communications programme costing \$7.2 million, which will provide for the installation of microwave facilities and the modernization of the vast communications system

which it operates. Work has already started on improving the facilities at North Bay. Capital works will be undertaken in various parts of Northern Ontario, including Kirkland Lake, Moosonee, Cochrane, New Liskeard, Ramore, Fraserdale and Otter Rapids. This programme which will be largely completed by 1963, will provide up to 500 new jobs in direct on-site employment.

The Ontario Research Foundation will continue its northern studies this year with increased government grants. It will start a new project on cellulose utilization, with the hope of finding new uses for cellulose available from northern Ontario black spruce and will initiate a study on the pulping characteristics of various trees. Hon. members will be requested to approve larger appropriations for these purposes.

HOUSING

Hon. members are now familiar with the new housing plan which was announced last week; therefore, I shall not attempt to do more than outline its fiscal implications and point out that it represents a new and bold effort by the government to meet public housing needs in the light of the greatly changed conditions that now exist.

During the current fiscal year, the province's capital expenditure on various projects will total \$2 million. This will be substantially increased, however, as an appropriation of \$5.6 million is being provided for the coming fiscal year. These expenditures reflect the increased participation of the municipalities in rental-type projects, stimulated by the policy change carried out in the fall of 1960 whereby capital and operating costs were assumed by the three levels of government in the ratio of 75 per cent federal, 17.5 per cent provincial and 7.5 municipal, and rents were geared to an income formula. Many requests have now been received from the municipalities for this type of subsidized rental project and several new housing developments are underway. Many more are in various stages of negotiation.

The appropriation you will be asked to approve involves a many-sided approach to the problem of public housing. In general, the shortage of housing accommodation has been overcome, but there are still pockets of real need among families requiring rental housing and particularly among those who cannot pay an economic rent.

An outline of the housing programme in that connection follows. Under the federal-

provincial partnership, the Ontario government will:

1. Seek to simplify procedures and limit the delays on present rental housing and land assembly projects.
2. Acquire, rehabilitate and manage existing housing units for public housing purposes.
3. Undertake the establishment of the Metropolitan Toronto Housing Authority as a public company acting as an agency to simplify and speed up the development of public housing in the Toronto area.

The province itself will introduce a number of special projects, among which are the following:

(a) An experimental and pilot rent certificate scheme under which existing housing will be leased for a period of years which made available to families at rents which are related to their incomes. The province will pay the difference between the actual rents required by the leases and the amounts the tenants will pay. The object of this plan is to improve the housing accommodation of families now occupying sub-standard housing and unable to pay higher rents. The units will be available only to families eligible for normal federal-provincial housing. Should the experiment prove successful, it is hoped that federal authorities may then enter into the scheme jointly with the province and the municipalities in extending the area in which it may be applied.

(b) Grants to assist non-profit limited dividend companies and other groups constructing non-profit limited dividend housing for elderly persons, the physically handicapped and families of low income.

(c) Assistance to acquire and rehabilitate older properties in redevelopment and borderline areas.

(d) Advice and technical assistance in the form of interim financing to groups interested in constructing housing for their own occupancy by co-operative effort.

(e) Studies to explore ways and means of providing preventive maintenance of housing, particularly in areas which might otherwise become depressed and ultimately involve expensive redevelopment projects.

(f) Studies on housing to ensure that needs will be met in the most efficient and economical way.

To implement this programme the province is providing the following appropriations:

\$1 million on ordinary accounts and \$5.6 million on capital account, the details of which are also given.

ORDINARY EXPENDITURE

To acquire, rehabilitate and manage existing housing units for public housing purposes	\$ 500,000
To operate the rent certificate scheme	50,000
To provide grants to assist non-profit limited dividend housing companies and other groups to construct housing accommodation for elderly persons, the physically handicapped and families of low income	150,000
Grants to assist in research studies of housing in all its aspects	50,000
To establish housing authorities as public companies to negotiate, design and construct federal-provincial housing projects — Metropolitan Toronto Housing Authority	75,000
To establish a Housing Advisory Committee	25,000
Administrative and other expenses	217,000
	<u>\$1,067,000</u>

CAPITAL EXPENDITURE

Expenditure under the Dominion-Provincial partnership agreement	\$5,600,000
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AID TO MUNICIPALITIES

I have already drawn to the attention of the House the staggering amounts that we are paying to the municipalities, school boards and other local agencies. I wish, at this point, to expand somewhat more on my earlier remarks, to indicate the varied local services which we are assisting. In the 1961-1962 fiscal year the municipalities, school boards and other local agencies will receive assistance from the province in the amount of \$375 million or, in fact, \$384 million if we include the \$9 million representing the province's share of the cost of constructing technical and vocational schools. In 1962-1963 this outlay will rise to \$425 million plus an additional \$29 million for the vocational and technical schools, or a total of \$454 million. This is a huge amount.

In the four budgets I have introduced in the House we have transferred to the municipalities and their agencies revenues of nearly \$1.5 billion. Some 20 years ago only 18 per cent of our total revenues was paid over to the local municipalities; now it is over 45 per cent. Obviously, there are limits as to how far we can go.

To provide the maximum relief to the owners of residential and farm properties who, in general, are unable to treat their local taxes as an expense, and accordingly as a deduction from income for income tax purposes, the province restricts to residential and farm properties the benefit of its unconditional grant to municipalities. In the coming fiscal year the grants payable under The

Unconditional Grants Act will total \$26.4 million.

In addition, under The Residential and Farm School Tax Assistance Grant Act passed at the last session, municipalities can similarly restrict to residential and farm property the benefit of the special per pupil grant to elementary and secondary schools. The grant per pupil in elementary schools for 1962-1963 is being increased from \$5 to \$15, and the school board, in receipt of the school tax assistance grant, or the municipal council on its behalf, is required to reduce the school tax rate on home owners and farmers by 10 per cent below that applicable to industrial and commercial properties.

In other words, after applying this special per pupil grant, the residential and farm mill rate for school purposes will be 90 per cent of the industrial and commercial school mill rate. A special per pupil grant of \$5 will also be paid to secondary schools, and at this time no change will be made in the optional formula that was used last year in applying this grant. The amount payable in 1962-1963 under this Act, which is of special benefit to residential and farm property owners and occupiers, is \$16 million.

School and library grants are being increased from \$185 million in the 1961-1962 fiscal year to \$214 million in the coming fiscal year, or by \$29 million. The province's contribution to the Teachers' Superannuation Fund is being raised from \$17.5 million to \$18.3 million—an increase of almost \$1 million. The capital outlay for vocational schools

will be augmented by \$9 million to \$29 million. Thus, the combined increase totals \$50 million, from \$211 million in this fiscal year to \$261 million next year.

To finance the municipal winter works programme we are including \$10 million in the estimates. The province's road subsidies are also being increased by \$8 million to \$81 million in 1962-1963. Substantial payments will also be made in connection with hospitals.

To enable the Ontario Water Resources Commission to carry on its expanded programme, \$25 million will be provided for capital and \$2.5 million for operating purposes. The Ontario Municipal Improvement Corporation will also continue to provide capital to enable municipalities to carry out various capital projects.

Through these vast provincial expenditures we have been able to keep local taxation manageable and at the same time assist in the provision of new and greatly expanded services throughout Ontario.

REVENUE CONSIDERATIONS

The outline of the comprehensive programme I have presented is a demonstration of why the province needed additional revenue. I think hon. members will agree that our course has been right. We simply could not meet our obligations to education, health, welfare, highways and all the other services which are essential to a modern expanding economy without the revenue that we are obtaining from the 3 per cent sales tax that we imposed last September.

It is easy for those who have no responsibility to dream up painless ways of raising revenue. On analysis, these ways are neither painless nor practicable. The fact is that we had no alternative to obtain additional revenue, and after a careful examination—the most careful examination—we concluded that there was only one real source, namely, a sales tax. To have resorted to other taxation would either have been ineffective or have dampened efficiency and enterprise, and made our province less attractive as an area for expansion.

Most of the provinces in Canada have had a sales tax for a considerable number of years. The provinces of Quebec and Saskatchewan imposed a sales tax more than 20 years ago. For many years, Ontario was able to finance its expansion without significantly extending its sources of taxation. We took the view that its revenue should come from the growth of the economy and a greater

participation in the fields of personal and corporation income tax.

The new federal-provincial fiscal arrangements that come into effect April 1 this year and apply to the taxation year commencing last January 1, represent an improvement over those that are now expiring. Under the new arrangements the province will receive an increase in its share of the personal income tax from the present standard rate of approximately 14 per cent of federal rates of tax to 16 per cent in 1962, and by an additional one percentage point in each of the four succeeding years up to 20 per cent in the year 1966.

This will provide the province with an additional revenue increment in the first year of about \$19 million, which in each of the four subsequent years will be augmented, on the basis of current yields, by approximately \$9.5 million a year. We were gratified by the federal proposal to increase our share of the personal income tax, but the new arrangements, helpful as they are, did not obviate the necessity of the province finding an additional source of revenue.

I am confident that no one will disagree that the province required increased revenues. It may be contended that we should cut our expenditures. But where would hon. members cut? Would they reduce the appropriation for schools, universities, hospitals, roads and highways, health, welfare and other services so vital to our way of life? Would they slash our assistance to the municipalities? These services are essential to our continued economic growth and well-being. No responsible government could have adopted any other course but to find the additional revenue required to enable it to play its traditional role in the development of this province.

In turning to the retail sales tax field, as many other provinces were obliged to do before us, we were seeking a source of revenue that would not place obstacles in the way of economic growth. The underlying consideration was to keep our tax structure at the lowest minimum consistent with sound financing in order to ensure the maintenance of an economic climate which would promote expansion and the creation of jobs. We were anxious to provide the maximum stimulation to industry and were determined not to place a greater burden on any class of taxpayers than was absolutely necessary to preserve a strong financial position. It was fully expected, as had been demonstrated, that the province would still be required to use its credit in financing its capital programme.

The sales tax is a tax on income when it is spent. It does not deter willingness to work and save, which in a young country such as Canada is of great importance. The fact that exemptions under the Ontario plan are very broad, relieves the tax of regressive features. Certainly the tax is widely employed, being used by eight of the provinces and most of the states of the American union. As I have mentioned, our rate of tax is the lowest in Canada and exemptions are more generous than those in any other jurisdiction.

By exempting food, fuel, rent, children's clothing, books, school supplies and medical expenses, we have avoided taxing most of the items that represent the greatest expense to families with small budgets. It bears lightly on low income groups and more heavily on high income groups in accordance with the principle of ability to pay. Furthermore, by granting exemptions on farm machinery and repair parts, seeds, grains, fertilizer and other materials, we have taken into consideration the position of the farmer and have prevented any upward pressure on the price of food stuffs. To hold prices and costs down, we have exempted from tax machinery, apparatus and materials used or consumed in the process of manufacture or production of tangible personal property for sale.

We recognize that the collection of a sales tax directly, as the provinces are required to do under the constitution, instead of as the federal government does indirectly, has certain administrative disadvantages.

At the federal-provincial conference in July 1960, we proposed that an amendment be made to the constitution to empower the provinces to impose a retail sales tax indirectly. It was not our intention that any province should levy a hidden tax, or that the tax should be imposed at the manufacturers' or wholesalers' level. We suggested that the province should have authority to impose a sales tax on the retailer in a manner that would enable him to total up the value of the taxable items he sold and to calculate and pay his tax thereon. This would provide some simplification of the tax from the standpoint of the retailer. The proposal was not adopted, however, although the Rt. hon. Prime Minister of Canada (Mr. Diefenbaker) indicated that he would acquiesce if the provinces were unanimous in seeking such an amendment.

Despite this limitation imposed by our constitution, we are continually striving to ensure that the sales tax is administered and collected as efficiently and economically as possible. Prior to the imposition of the tax,

we studied the methods of administration employed by the other provinces and numerous States of the American union. The information gained has been extremely helpful. As we profit from our own experience we shall constantly be on guard to ensure that we have the fairest and most economical system that can be devised. Already experience has led us to propose a number of improvements to which I shall refer in a moment.

Among the various alternative suggestions advanced is a plan to exempt from tax all consumer purchases of \$25 or less. Obviously, such a sizeable exemption would have a drastic effect on the revenue expected from the tax. The effect of such a change, while extremely difficult to estimate, would reduce revenue substantially.

Many millions of dollars of tax revenue would be lost in tax avoidance. It would produce a major distortion of normal production, trade and marketing patterns. Consumer demand would shift from taxable items to non-taxable items. Piecemeal buying would become the fashion. The result would be not only consumer and marketing waste and inconvenience, but also loss of revenue. To avoid the tax, consumers would endeavour to make their purchases by components.

For example, instead of buying a set of golf clubs, they would buy one or two clubs at a time. There would be a tendency to buy kitchen or dining room furniture by units rather than by sets. The same practice would develop in the appliance field. Producers and distributors would seek products selling under the \$25 limit. In some cases this could only be achieved at the expense of quality. All these effects would be multiplied many times if, in order to compensate for the loss in revenue occasioned by the higher exemption, the rate of sales tax was increased on items that could not be sold under the \$25 limit.

If we make an allowance for the avoidance of the tax which would result from a \$25 exemption, the rate on taxable items would not be three per cent but closer to eight per cent. Such a tax, which would apply to many of our manufactured products, would cause a serious dislocation to existing production and distribution patterns. Manufacturers of consumer durables would be the hardest hit.

Furthermore, the adoption of a sales tax with an exemption even approaching \$25 would add greatly to administrative and collection problems. It is well known that these problems are the least when exemptions are

the fewest. While we have adopted a plan which provides the most generous exemptions in North America, the administrative problems now encountered would be as nothing compared with what they would be with a \$25 exemption.

The suggestion looks appealing, but there are immense difficulties and drawbacks. Its adoption would produce not only marked tax avoidance and a multiplication of administrative and collection problems, but a serious distortion to established economic production and trade patterns. It is no accident that no other jurisdiction in the world has imposed a general sales tax exemption even approaching \$25. We have, therefore, but to conclude that this is a completely unworkable suggestion.

Mr. Speaker, in my last budget statement I dealt fully with the feasibility of obtaining an equivalent revenue from corporation and personal income taxes and from fringe sources. I shall not repeat the explanation I gave at that time and the conclusion reached, that these taxes simply would not produce the required revenue without serious disturbances to our economy. Neither the circumstances nor the facts expressed at that time have changed.

As expected, our experience with the sales tax has suggested a number of amendments to broaden exemptions and simplify administration.

The following is a list of changes in exemptions under The Sales Tax Act, effective April 1, 1962:

1. Food products that are exempt from taxation under the Act will be expanded to include insulin, vitamins and certain dietary supplements that are now classed as drugs and medicines.

2. The definition of classroom supplies will be widened to include all instructional equipment and equipment used for research purposes by universities. All such supplies and equipment will be exempt from tax when bought by schools, school boards, colleges and universities.

3. A new definition of students' supplies will be included for exemption, and any child or other person will be able to buy these materials tax free in any store that sells these supplies.

4. Public hospitals will be able to buy free of tax certain equipment as defined by the Provincial Treasurer for their own use and not for resale.

5. Works of art when purchased by museums or art galleries whose revenue is

provided by public donations and grants by public bodies will be exempt.

6. Religious institutions will be able to purchase free of tax equipment for use in that portion of their premises where religious worship is regularly conducted.

7. Religious and educational publications as defined by the Provincial Treasurer will be made tax free.

8. Equipment as defined by the Provincial Treasurer, purchased by a person licensed to trap fur-bearing animals by the Minister of Lands and Forests will be exempt from tax.

Other amendments will be introduced not only to make clearer certain provisions now in the Act but to simplify the collection of the tax.

Vendors whose taxable sales never exceed \$100 per month will be granted permission to file their returns on a quarterly or half-yearly basis rather than monthly as now required under the Act.

In businesses which have a fairly constant percentage of taxable sales to total sales and where tests are conducted at frequent intervals to ensure the accuracy of the percentage, for each period in which tax remittances are required, arrangements may be made to calculate the amount of tax to be remitted on a formula basis, thus relieving the vendor of the necessity of keeping detailed records of his taxable sales. Where such arrangements are made, the vendor will of course be subject to periodic audit with a view to determining the accuracy of any formula so arranged.

It should also be noted that small retailers can largely eliminate the keeping of detailed records through the use of a receptacle in which the tax is deposited at the time of each transaction.

Mr. Speaker, you will be glad to know that there are no tax increases. Having dealt extensively with the sales tax and the province's need for revenue, I am pleased to announce this: no new taxes and no increases in tax rates. There will be a number of amendments besides those I have mentioned in connection with the sales tax and these may be summarized as follows:

The Corporations Tax Act will be amended to bring its provisions into line with the amended Income Tax Act of Canada pursuant to the adjustments made to that Act at the last session of Parliament.

Minor amendments will be introduced to The Succession Duty Act:

1. An insurance company will be permitted to make a payment up to but not exceeding \$5,000 to a widow under any contract of insurance without the consent of the Provincial Treasurer. This will double the amount that the widow can obtain under these circumstances at the present time.

2. Interest on non-payment of duty will not commence until six months following the death of the deceased.

An amendment will be introduced to The Income Tax Act that will permit the completion of reciprocal arrangements with the province of Quebec whereby the tax collected by Ontario during a year may be paid over to the province of Quebec on behalf of a taxpayer who has moved from Ontario during the year and is a resident in Quebec on the last day of that year.

It is expected that a similar amendment will be made to The Income Tax Act of the province of Quebec to take care of the situation when a taxpayer moves from Quebec to Ontario.

Minor amendments are being made to The Motor Vehicle Fuel Tax Act to ease the penalty provisions that are now contained therein.

On The Hospitals Tax Act, effective April 1, 1962, the exemption from tax on the price of admission to places of amusement will be increased from 25 cents to 56 cents and the tax on the price of admission to places of amusement between 57 cents and 92 cents will be reduced by one cent. Also, the exemption from tax to places of amusement that are not class D theatres in communities having a population of less than 10,000 will be increased from 65 cents to 75 cents.

In this budget I have endeavoured to provide an account of our stewardship of the province's affairs in the current fiscal year and to outline our proposed programme for the coming fiscal year. I think you will agree that this budget sets before you and before the Ontario people an imaginative, forward-looking programme, the benefits of which will ramify throughout every sector of the economy. The budget itself is a positive step in a five-year programme aimed at maintaining our current high rate of economic growth—a rate of growth capable of producing more jobs and higher living standards for our increasing work force.

There are numerous immediate benefits—an unprecedented expansion and modernization of our educational system; improvements in health and welfare; a bold, new housing plan; increased municipal assistance; a record-

breaking highways and municipal roads expenditure; measures to promote a vibrant northern Ontario; an expansion of the Ontario Provincial Police and parole, probation and rehabilitation services; measures to extend and improve recreational facilities and the physical fitness of our people—all of which will increase employment and add to the strength of the Ontario economy.

This budget also lays the foundation for future growth—new research, the creation of public capital, new access roads and measures to stimulate natural resources and manufacturing, construction of a spur line to tap a new iron ore deposit, development of a new communications system in northern Ontario, the establishment of the economic council, and an examination into measures to promote greater processing, increased Canadian content in domestic manufactures and expanding exports.

Attention is also to be given to measures to maintain our international competitive position. Our growth, and indeed our economic survival, depends upon keeping our costs in international equilibrium. While this budget provides for an expansion of private and public capital expenditures, we cannot hope that this policy will by itself achieve an acceptable rate of growth without measures being adopted to maintain our manufacturing industries on a competitive footing. We cannot lift the economy to an acceptable rate of growth through public spending alone. We must create an economic climate and environment that will enable private enterprise to expand vigorously and our industrial economy to advance from strength to strength. If we do this, we will have no difficulty in raising standards of human betterment through an extension of social welfare services.

Our record demonstrates that we have not been content to stand still. We have moved forward vigorously and dynamically in accordance with the wishes and needs of the people. We have been a pioneer in many fields of economic and social betterment.

Despite a record-breaking expenditure, there will be no tax increases. On the contrary, we are providing a measure of tax relief by a broadening of exemptions through the sales tax and certain other reductions to the hospitals tax. Nevertheless, we have to face up to the fact that the expansion in our services has been making increasing demands upon the province's financial resources, and we have to take this fact into consideration. **We have provided good administration and sound financing. We intend to keep it that**

way. As an integral part of our five-year plan we shall endeavour to equate expenditures and revenues supported by a prudent use of our credit. We shall provide the fullest possible value for every dollar we spend.

By careful planning and single-minded devotion to our goals and objectives, and with the co-operation of the government of Canada, I am confident that Ontario can move steadily ahead. While the future will give rise to new problems and formidable challenges, it will also provide rewarding opportunities for those who accept its discipline and adapt themselves to it.

Mr. R. M. Whicher (Bruce) moves the adjournment of the debate.

Motion agreed to.

Mr. Speaker: I would ask permission of the House to revert to before orders of the day.

Mr. H. J. Price (St. David): Mr. Speaker, thank you very much for the opportunity provided me to remind the hon. members of the House that this is St. David's Day. This is the day set aside by the Welsh people to do honour to their patron saint, St. David. As my riding bears that cherished name I take this opportunity in the House each year, as do other members, representing a riding named for a saint, to do honour to the patron saint for whom their riding is named.

It might be interesting for the hon. members to know that the first mayor of Toronto was elected in 1834 in what was then called St. David ward. It was not until some years later, when the wards were numbered, that the riding was called after the saint.

This is the second occasion since I have been a member, in the last 7 years, that the budget in this House has been brought down on St. David's Day.

Native-born Welshmen are no strangers as members of this House. Although I cannot lay claim to be a native-born Welshman, I do claim to be of Welsh descent. As far as I can ascertain I am the only member of the Legislature for the riding of St. David bearing a Welsh name since 1797. The contribution of Welshmen to Canada and Canadian history, such as that of David Thompson, is certainly well known. They have left their mark, not only in Canada but in countries which they have occupied and lived in throughout the Commonwealth.

I want to take this opportunity of thanking Miss Potten, of the Speaker's office, and the

hon. member for York-Humber (Mr. Lewis) for presenting me with this daffodil, the Welsh national emblem.

On behalf of the hon. members of the House I am pleased to extend our very best wishes to the people of Wales on this St. David's Day.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, when I arrived in the Legislature this morning you can imagine my embarrassment when I realized that I did not possess the national emblem of Wales. In fact, this morning when I left home I intended to put it in the lapel of my coat; the emblem of course, is the leek. I want to join the hon. member for St. David (Mr. Price) in thanking Miss Potten, your secretary, sir, and also the hon. member for York Humber (Mr. Lewis) for helping me out of this predicament.

I have in the lapel of my coat this very beautiful flower. I regret very much, sir, that I am not wearing the leek; the leek of course, to native-born Welsh people—and I claim to be one—is the national emblem of Wales. This flower is very beautiful, and while the leek may not be so beautiful, it has a very great nutrition value, as any hon. member who has tasted a bowl of leek broth will know. To the Welshman, the leek is as the haggis is to the Scotsman. It is our national dish.

It is a great pleasure for me to join the hon. member in paying my tribute to the Welsh people in Ontario and throughout Canada. This St. David's Day, to Welshmen and Welshwomen throughout the world, is very sincerely observed by the singing of the hymns and songs of Wales. I would say, Mr. Speaker, that it is a very, very great thrill to listen to these old hymns and songs sung by Welsh people. I do not think one could expect a greater treat than that.

Wales is a very small country, with a population of just over two million people. The Welsh people, not only in Wales but throughout the world, have made a great contribution to our democratic way of life. History records that no nation in the British Commonwealth suffered so greatly during the industrial revolution as the Welsh people. The Welsh are a very religious people, particularly those in the southern part of Wales. Working in the mines, in a very hazardous occupation, not knowing when they went into the mines whether they would come out alive the following evening, developed in them that religious aspect which is so greatly developed there.

The Welsh nation has been truly progressive in helping to further some of the social reforms that we enjoy today. It was in 1885, Mr. Speaker, when the first Labour member was elected to the British House of Commons, from the little country of Wales. And in 1900 the British Labour Party began, when elected to the British House of Commons was the great Keir Hardie.

Since that time they have progressed.

The little country, with a population just over two million, is represented in the British House of Commons by 36 members. In that membership there are 28 Labour members. Mr. Speaker, I want to say they are a very, very fine progressive people, and I am very happy today to pay my tribute to the Welsh people in our communities.

Mr. Speaker: Orders of the day.

THE BEES ACT

Hon. W. K. Warrender (Minister of Labour) in the absence of hon. W. A. Stewart (Minister of Agriculture), moves second reading of Bill No. 74, An Act to amend The Bees Act.

Motion agreed to; second reading of the bill.

THE CO-OPERATIVE LOANS ACT

Hon. Mr. Warrender, in the absence of hon. Mr. Stewart, moves second reading of Bill No. 75, An Act to amend The Co-operative Loans Act.

Motion agreed to; second reading of the bill.

THE HORTICULTURAL SOCIETIES ACT

Hon. Mr. Warrender, in the absence of hon. Mr. Stewart, moves second reading of Bill No. 76, An Act to amend The Horticultural Societies Act.

Motion agreed to; second reading of the bill.

THE ONTARIO WATER RESOURCES COMMISSION ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves second reading of Bill No. 77, An Act to amend The Ontario Water Resources Commission Act.

Mr. R. C. Edwards (Wentworth): Mr. Speaker, I do not have a copy of Bill No. 77. Bill No. 77 held.

VILLAGE OF ERIE BEACH

Mr. R. C. Edwards, in the absence of Mr. J. P. Spence (Kent East), moves second reading of Bill No. Pr2, An Act respecting The Village of Erie Beach.

Motion agreed to; second reading of the bill.

TOWN OF HEARST

Mr. R. Brunelle (Cochrane North) moves second reading of Bill No. Pr5, An Act respecting The Town of Hearst.

Motion agreed to; second reading of the bill.

CO-OPERATIVE CREDIT SOCIETY

Mr. H. E. Beckett (York East) moves second reading of Bill No. Pr12, An Act respecting Ontario Co-operative Credit Society.

Motion agreed to; second reading of the bill.

TOWN OF OAKVILLE

Mr. A. H. Cowling (High Park), in the absence of Mr. S. L. Hall (Halton), moves second reading of Bill No. Pr16, An Act respecting The Town of Oakville.

Motion agreed to; second reading of the bill.

CITY OF WINDSOR

Mr. P. Manley (Stormont), in the absence of Mr. A. J. Reaume (Essex North), moves second reading of Bill No. Pr19, An Act respecting The City of Windsor.

Motion agreed to; second reading of the bill.

OTTAWA SEPARATE SCHOOL BOARD

Mr. Cowling, in the absence of Mr. J. Morin (Ottawa East), moves second reading of Bill No. Pr21, An Act respecting The City of Ottawa Separate School Board.

Motion agreed to; second reading of the bill.

ONTARIO REGISTERED MUSIC TEACHERS ASSOCIATION

Mr. Cowling, in the absence of Mr. Morin, moves second reading of Bill No. Pr24, An Act respecting The Ontario Registered Music Teachers Association.

Motion agreed to; second reading of the bill.

House in committee of the whole; Mr. K. Brown in the chair.

THE ONTARIO CODE OF HUMAN RIGHTS

House in committee on Bill No. 54, An Act to establish the Ontario Code of Human Rights and to provide for its administration.

On section 4.

Mr. V. M. Singer (York Centre): Mr. Chairman, when the debate adjourned last, I rose to speak on this section. I think the amendment suggested by my hon. colleague to include the word "age" in section 4 is a most important one. And I noted carefully the remarks of the hon. member for Woodbine (Mr. Bryden), I think it was, who pointed out that several private members' bills had been introduced suggesting this, including the bill by the hon. Minister from St. Andrew (Mr. Grossman). It is rather surprising the hon. Minister from St. Andrew did not see fit to speak in this vein during this debate and, in fact, is not here now.

This brings to mind, Mr. Chairman, some remarks—oh, here is the hon. Minister now—some remarks that he made in debate last year on March 15, 1961, and I thought the memory of the House might be refreshed in connection with this. The hon. Minister rose and said, addressing the Chairman:

Before you proceed with that, I think I would like in the records—because I know some issue is going to be attempted to be made by others on this bill—that the hon. member for York Centre (Mr. Singer) was present in this Legislature and did not think this was important enough to get into his seat and vote.

Now, it is rather interesting, Mr. Chairman, that a year ago while I was in the House and speaking to one of the Ministers of the Crown, the hon. Minister from St. Andrew saw fit to address those remarks. Yet, when this bill was given second reading in the House a short time ago the hon. Minister was not in his seat and when the bill began to be debated in committee the hon. Minister was not in his seat. He is in his seat this afternoon.

In addition to that, Mr. Speaker, I wonder if someone on the government side could indicate to us whether after the passage of section 4, and the rest of this bill, there will be the right given to government officials to discriminate against people because of the colour of their hair? It seems that a certain incident took place in a government-controlled

institution, where one individual was suspended and two others were fired arising out of an incident connected with what seems to be a matter of freedom—a matter which should be covered by the code of human rights; that is, whether or not a man can decide what colour his hair should be.

With those remarks, Mr. Chairman, I would urge the House to support this amendment moved by my hon. colleague.

Mr. N. Davison (Hamilton East): Mr. Chairman, in support of this amendment I would like to point out that discrimination today is showing up more in age than it is in anything else.

An hon. member: Hear, hear.

Mr. Davison: Over the years we have had the problems of race, colour and creed, but the average person in Canada today does not look upon that as discrimination. That problem is not evident. We have the tremendous problem of age. I think that older working people today only want one opportunity and that opportunity is to have the same right of a job as a younger person. It is a shame that this government cannot see fit at this time to include the word "age" in this bill.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I think that everyone in the House is in complete agreement with the idea that discrimination in employment on the grounds of age is a problem which affects our society today, and a problem with which we will undoubtedly have to deal. I do not think there is any doubt about that in anyone's mind. We also can recognize in our society today a certain emphasis upon youth, which, in certain aspects at least, might be referred to as a fad, and if carried too far it can become something which is unjust and perhaps unreasonable.

The other emphasis, of course, is on the very large problem of age and the denial of employment to any person purely because of age. The real problem that faces us in our society is the resultant waste of talent and manpower which, in our society, I suggest, we cannot afford. Then, of course, there is the other very important effect which the practice of denying a man employment because of age has on the individual in terms of personal frustration and mental distress—a feeling of insecurity and hardship—and all these matters are related to the question of age.

I think that everyone in the House is in sympathy with these points but there are three basic factors involved in dealing with

the problem of age in regard to the securing of employment. These three problems, which I will point out, are all interrelated and yet I would say that each one of them will have to be solved before we will have any overall solution.

The first of these is, as I have mentioned, the question of pure fad. That is where for no logical reason at all, it is assumed that a younger person might do a better job. The second factor involved in this is the question of economic change and the skills and qualifications of individuals which are affected by such change.

The development of automation, for example, has been mentioned in this House very often. People are now frequently pushed out of jobs which they have held for many years, out of jobs in which they have developed certain, special, specific skills, and they are forced to find new employment. I think we have all met this problem. I know I have met it with individuals in my own riding in London and it is a very large problem for the individual concerned.

Now, we are taking steps—and these matters will be debated more fully when our programme is placed before the House in due course—but we are taking steps to provide training and retraining for people who find themselves in this position, so that they may meet the new challenges with which they are presented.

This is part of the problem of age because very often the change as the result of automation happens to people in the middle years of their lives, people who have established positions for themselves in the community, have acquired assets, such as houses and so on. They have developed a pattern of living, of educating their children, and the problems they face are very great.

The third factor which I would describe as bearing on the question of age and employment is the development of pension plans for employees. This is a very large problem, a very practical problem, and one of great importance because the development of pension plans in our society has had a very great effect. It has been of very great benefit to our people in providing them with security in the latter years of their lives, in permitting them to save and create an estate during their working years to look after the latter years of their lives.

The development of the pension plan is one of the great social benefits of the first part of the twentieth century, I would say,

but it has had some very potent and undesirable side effects. One of these, and we all know this, is that it has tended to make our worker much less mobile even though all factors in our society apart from this lead to greater mobility of labour. It has also led to the side effect of excluding the older worker from employment because he did not fit into the pension plan in the particular industry or plant in which he was attempting to find work.

It is obvious that pension plans must have eligibility if they are to be operated on a sound and firm business basis. We have faced this limitation in the public service of the province and our limit for entry into the pension plan for our provincial employees is age 55, which I believe is much higher than any other plan that I know. But we do employ people over 55 and we have made special arrangements for them. If you are over 55 and enter the public service you enter it on a different basis.

In view of the problems I have sketched out here and in the light of these circumstances which I have drawn to your attention, the government did establish a technical committee to recommend ways and means of achieving portability of pensions between employers in the province. The purpose of this committee was to engender interest in the problem, to create enough interest to produce research, to bring the whole problem into focus and to have it examined by those who would be most affected by any attempt to create portability in pensions. I think in this the committee has been successful.

Hon. members have all received a report of the committee. They have received the draft bill which the committee has prepared and I am sure they have read the news report of the varying and conflicting opinions that have been advanced in connection with portability of pensions and the portability problem. Later on in this session we will be dealing with this question of portability again, because I would hope that there will be another report from that committee which can be brought in here to be examined by the House. The matter is far from settled and there are many—

Mr. K. Bryden (Woodbine): Is the hon. Prime Minister (Mr. Robarts) bringing in a bill?

Hon. Mr. Robarts: Wait and see.

Mr. Bryden: I have been waiting for two years and I have not seen anything yet.

Hon. Mr. Robarts: Mr. Chairman, I was just explaining to the hon. members of the House the purpose of the course that we are taking on this. We are not in a position as yet, and I doubt if we will be in a position this year, to solidify this situation. The study that is necessary to deal properly with a matter as important as this is continuing and, as I say, the matter will be brought before the House again.

Mr. D. C. MacDonald (York South): Too much fluidity in the government!

Hon. Mr. Robarts: In any event, as to the amendment that is presently before the House in relation to this bill, I am in sympathy with the objective of the amendment but I am firmly of the opinion that it will not do what the sponsor of the amendment thinks it will do. I would point out if we examine the amendment it is very wide—if I may put it this way—wide of the mark that the hon. mover may be thinking of. If we take a look at what this amendment really means, then this will further illustrate the position I take, and that is that we must, of absolute necessity, examine all sides of this problem before we place ourselves in the straitjacket of a statutory enactment.

I would point out to the hon. members that this amendment may create a completely impossible administrative situation because it does not prohibit the type of discrimination which should be prohibited, which is in fact the denial of employment to a person on the basis that he is too old. I think that is the objective of the hon. mover, let us say that is the philosophy behind his amendment.

But this is not what the amendment would achieve, because it might and could be interpreted that a young man of 17 years of age who felt he had qualifications but not sufficient experience for a job would be justified, with this amendment, in claiming that he had been denied a job because he was too young. Now, I do not know whether this is what the hon. mover of the amendment intended, but I think that there is a definite possibility that this interpretation could be put on it.

We are really thinking in terms of the worker in the over 40 and 45 age group and this amendment is too broad; it would affect many people other than the group which I think the hon. member is attempting to assist. In addition to that, it is so broad that it would prevent any employer placing a limit upon any particular type of job because of age. Let us take the situation of a pilot of a commercial air line. It would be impossible—if we are going to have to discriminate

because of age in terms as broad as this and in terms as broad as this amendment—it would be impossible to say we will not hire an air pilot—

Mr. Bryden: Nonsense!

Hon. Mr. Robarts: It is not nonsense at all. I would point out to the hon. member that I do not know how much research he has done before making this amendment. I am not quarreling with what he is attempting to achieve. I simply state that the amendment that he has produced is administratively unworkable and I think that anybody who is thinking about the matter at all will agree with me.

The hon. member will find other jurisdictions which have attempted to deal with this problem, protecting the right of the older workers to obtain employment, have had to draw many exemptions to the broad principle in order to be practical and in order to have a statute and an Act which is administratively possible to administer.

Therefore, I would say that we would be very unwise to accept this amendment as it stands because it is defective and it is ineffective. We should not rush into it and deal with a subject as great as this subject is with an amendment such as this amendment is.

I would point out also that age is not directly related to the particular human rights that are being dealt with in this bill. My point is simply that this bill is not the place for a provision by which we would attempt to protect the right to work of the older worker. This is not the proper place. This bill is not dealing with matters of that kind. My own personal opinion is that this matter of age will have to be dealt with separately, it will have eventually to be the subject of a separate statute, it will have to be given a great deal of research before a proper approach to the problem can be brought in here and translated into statute.

Mr. Chairman, in speaking against this amendment I point out that, as I said before, I do not think any of us are too far apart on our sympathy for the basic problem.

But this amendment will not achieve what the hon. mover thinks it will.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I support the amendment as suggested in subsection 1 of section 4, and feel that it is justified in that section, I feel it is also justified in subsection 3 of section 4.

Certainly if someone applies for a job and the employer does not want him for one of

several reasons he can find a reason. Why I suggest it will serve a practical purpose in subsection 3 of section 4 is that we find many newspaper advertisements for employment stating that one may only apply if he is between the ages of, say, 25 and 35. Right away the person looking for employment is deterred from making application or presenting himself by this deterrent in the newspaper advertisement. I am sure if there was a bar to this type of advertisement many a person over the age of 35 who could have the opportunity of presenting himself to a prospective employer, could convince him that he could do the job. But with this deterrent in there, many people do not bother to apply for a job.

As I said before, if we had the word "age" in subsection 3 of section 4, and the person who applied was of an age that the employer felt was too old for his employment and if it was because of pension programmes or such, he could find other reasons and will find other reasons not to give him the job. I am sure that the only qualification for employment at any time of any kind will be the educational and physical requirements.

As it is now, with advertisements invariably carrying an age limit, people who are physically fit, and have all of the qualifications necessary, just do not apply for those jobs, and they suffer the effect of losing their dignity and the fact that they are taken off the labour market. I support the amendment.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I should like to speak in support of the amendment.

I was very interested in listening to the remarks of the hon. Prime Minister (Mr. Robarts) with respect to this problem. While I am willing to admit that some of the points that he made might have some little validity, I think the reasons for voting against this amendment, as stated by him, are not sufficient to influence the hon. members of this Legislature to vote against the principle. The matter of philosophy was mentioned and it seems to me that this—

Hon. Mr. Robarts: We have already voted for the principle, we are in committee now.

Mr. R. C. Edwards: Well, this is my opinion, Mr. Chairman. The bill in itself is philosophical in content and I think this is a case where we can show our intent and take some positive steps to actually do something about this matter of discrimination because of age. The matter of the portable pensions was brought forward and I agree with the hon. Prime Minister that perhaps the pension plans, more than any other single factor,

are having a serious effect on the employment of people in the older age brackets. I think this is particularly significant in instances where because of the method of funding or financing in a pension plan it is necessary for employers to contribute substantially more to pension funds in the case of older workers than they would do in the instance where the worker was much younger.

I was somewhat disappointed in what I believe was the suggestion by the hon. Prime Minister that this bill might not be discussed in this present sitting. I think that if it is not to be brought forward, that this more than anything else—

Hon. Mr. Robarts: I did not say that.

Mr. R. C. Edwards: I did not suggest that the hon. Prime Minister did, I suggested that I took from his comment that he did make at least some inference that it might not be brought forward at this time.

Hon. Mr. Robarts: I do not know what I said, but what I meant to say, in any event, was that I hoped there would be a further report from the committee that is studying portable pensions, and when it comes it will be brought into this House and we will provide a vehicle for debate on it, the question of portable pensions.

Mr. R. C. Edwards: Mr. Chairman, I submit that this committee did report once already and they were asked by the former hon. Prime Minister of this province (Mr. Frost) to bring forward a draft plan which has been submitted and which I think should be given to this Legislature for debate. I think the absence of this particular bill is only delaying the time when we can say to the people of this province that it shall not be that they will be denied these opportunities because of age. I think that until such time as this pension bill does become law in the province of Ontario we can look forward to this discrimination no matter how we philosophize in the type of Act that we are considering today.

I cannot see that any harm would be done by supporting this amendment which would make it unlawful to discriminate because of age. I think some of the instances which the hon. Prime Minister has given could take place, but I believe that the Act is broad enough that where it was a matter of health, or endangering the lives of others—as would be in the case of the airline pilot not being given a job as pilot after he reached a certain age—I think in cases like that, the Act is broad enough to indicate that this would not be a

case of discrimination because of age. I think to pick these isolated cases out and use them as a reason for not accepting this principle is really distorting the whole issue.

I do not think that the arguments which have been put forward, with all respect to the hon. Prime Minister, are sufficient for the hon. members to consider not supporting the amendment as proposed by my hon. colleague, and I certainly would support it.

I do not think it can do any harm; I think it would indicate to everybody that we really are trying to declare war on this matter of discrimination. We must remember that discrimination really is the result of prejudice and it has been said in this Legislature many times that we cannot legislate against these things; yet we are endeavouring to legislate against discrimination by this Act and I think, since we are going to endeavour to legislate against these prejudices, that it is desirable to put in the matter of age along with the other things we are trying to correct.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, it never ceases to strike me, sir, that great and serious and terrible are the burdens imposed upon the hon. Prime Minister of this province (Mr. Robarts) when he is called upon in his function as chief of the party to stand in this Legislature and give explanation and make apology for serious deficiency in government policy and responsibility in the carrying out of their duties.

Before Christmas, sir—if I may go a bit afield and point to the fact that he had to reply to my leader's reference to the sales tax—he had at that time to make an explanation which was later presented to the voters of the province when they had the opportunity to weigh sides to judge the merits in the little general election, and his position at that time was rejected.

Today, sir, he has to resort to the spurious, and the specious, and I do not think the "fatuous" is too unkind a word to use, when he says that in accepting the amendment of the hon. member for Parkdale (Mr. Trotter) we would discriminate against all sorts of people by the inclusion of this word "age"; and we would, in fact, mitigate against the very purpose which he sought to achieve.

I point out to him, sir, that by the inclusion of the word "age" it does not mean that the words "experience", "qualification", "aptitude" or "competence" are thereby excluded from the normal economic operation of the selection of persons suitable to carry out any given line of employment. If you discriminated against a person at the age of

17 in that he could not be an airline pilot, if it was said that he was being discriminated against on account of his age or due to his age, the reply is perfectly natural that of course he is not being discriminated against because he has not the experience, and he has not the qualifications, he has not the aptitude, and any number of human prerequisites that are necessary.

And I merely set those out to show the spurious and specious nature of the observations which he made in asking the House not to accept the amendment offered by the hon. member for Parkdale.

But let me go back a little bit further. The hon. Minister of Labour (Mr. Warrender), who is responsible for this bill, the other day made his contribution to this debate and this proffered amendment. And he said, sir—the type of speciousness, and the type of spuriousness that he asked us to accept was that this bill is directed toward the discrimination of the type of nationality and creed and ancestry, and that type of indicia and characteristic that one so frequently encounters and does not encompass within its four corners, discrimination on economic balance, or for economic reasons, or within the purview of the economic operation of the country. And yet the very preamble, sir, the very preamble—if he would like to look at it—refers to the universal declaration of human rights as proclaimed by the United Nations; and if my memory is correct, one of the fundamental rights that is contained in that universal declaration is freedom from economic want—freedom from economic want.

Hon. W. K. Warrender (Minister of Labour): Mention age?

Mr. Sopha: The security that a person has from the regaining of a living and providing for those for whom he is responsible in the provision of worldly goods. He overlooked that. He just stands upon that type of speciousness in order to throw sand in their eyes, and deter us from our purpose.

I say to the hon. Prime Minister (Mr. Robarts), and I say it in all seriousness, that we probably do not believe that this is the best way to do it. We probably do not believe that, but we do believe that this is the best opportunity, and the best method of bringing before this House at this time—and probably the only time that we will get—what is a very grave problem, a very grave problem.

My hon. friend from St. Andrew (Mr. Grossman) referred to the fact that my office

is next to one of his stores in Sudbury—well, it is on the ground level, it is on the same level. Maybe, some day, when things become uncertain around here I will spend my time in boring a hole through, to forget the misery of Tory times by some of his products. But, being on the ground level, all sorts of people come into it—come into it on government business—and one of the most frequent visitors I get, one of the most common types that come in there, is the man of 40 or 45 or 50 who says to me: "Sopha, I cannot get a job, I am turned down because I am too old. What am I going to do? I have three or four kids at home, I have a child at university, and employers will not take me because they say I am too old." Now, what are we going to do for that person?

How do we then carry out our responsibilities unless we at this time, and through this method: my hon. friend from Parkdale (Mr. Trotter) offering this amendment, calling to the attention of the government and the hon. Prime Minister and that genius who sits on his right—he lounges on his right—my hon. friend from Fort William (Mr. Chapple) says. Not among the physically fit is he, because he is developing curvature of the spine.

In any event, sir, to return to the seriousness of the matter, that is the purpose of the inclusion of that word here.

Now, sir, could we become any more effective than to cite that two years ago the hon. Minister from St. Andrew (Mr. Grossman), a man who is probably 45 years of age himself, before he got his promotion, before he obtained what he thinks is security of employment at 45, offered a bill which in its essence was the very same that my hon. friend from Parkdale (Mr. Trotter) now offers to the House—the very same purpose and object. At that time, sir, I observed—let me keep the record absolutely accurate, because I like accuracy—that one of the bills that will be repealed under part 6 of this statute is The Fair Employment Practices Act, and the bill that he offered to the House and which reached second reading in the month of April—April 7, 1960, to be exact—was an amendment to The Fair Employment Practices Act which was designed to prevent discrimination on the grounds of age—the grounds of age.

Is it unreasonable, is it at all perverse, is it at all obstinate on our part to expect that in two years after a government member—who albeit did not reach the high Olympic heights, at that time, that he has now; a lowly member still scratching for votes, so

to speak—offered a bill, we would have some indication of government policy in this regard? We seek not to impose on employers any restriction in hiring their employees, but we seek to ensure through the means of legislative action concerted with a programme of education to secure a state of affairs in the province of Ontario where it cannot be within the law the policy of a firm—and I say to the hon. Prime Minister (Mr. Robarts) through you, sir, that there are firms in this province that have a policy that they will not hire people over the age of 40 or over the age of 45, as the case may be.

Mr. T. D. Thomas (Oshawa): Some over 35.

Mr. Sopha: Some over 35, my hon. friend from Oshawa (Mr. Thomas) says. And that is fixed as their policy. Now, sir, anyone knows, and it is trite for me to say it and I do not have to produce evidence to prove it, that a man 35, 40, 45, 50 often, most often can do a better day's work than a much younger man can. Surely in this Legislature there is no discrimination on age. We go from the hon. member for Kenora (Mr. Gibson) at 29 to the hon. Minister of Mines (Mr. Wardrope) who I think is the oldest here, is he not—I do not know whether he is the dean of the House or not, he just seems to me to be. Well, there is no necessity for me to burden the House, but I wanted to underline that; and if hon. members quarrel with that, I say finally and in summation that we want you to take away from employers the right to discriminate, the privilege they have of discriminating as I charge that they do discriminate in this province.

Secondly, if the government, sir, does not agree with us that this is the best method to do it, then let us have some of their own legislation. They have had time enough to prepare or to decide upon their policy and let it crystallize into some form of legislation. Let them put it before the House and, once and for all, put this thing at rest. We think those are reasonable observations to make, and, until we see something definite forthcoming from the government benches then I can assure the hon. Prime Minister and those who sit with him and support him, that we are going to support this amendment.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, in rising to take part in this debate I would like to say a few words. It is only because I had originally brought up

this problem during this sitting of the Legislature. The hon. Prime Minister has mentioned the fact of a pension plan. Well, that may be all right, but the individual that is being discriminated against here because of age is not necessarily interested in the pension plan. He can purchase his own pension plan if he wishes. But he certainly does not feel any too well when, in applying for employment and particularly with a department of the government here, he is told that at 45 he is too old. Now, put yourself in his position, being told that at 45 years of age you are no longer wanted. Why, if such a rule of thumb were applied in this Legislature there would not be many of us here.

Another point to show that age is of vital importance is The Apprenticeship Act. It has the limitation of 21 years of age and we have just recently found the hardship that it has rendered to the large masses of unemployed who are interested in retraining right here in the city of Toronto.

Mr. Chairman, it certainly is or should be the policy of this government to see that application forms from their own departments contain no reference to age, because here I have one from a man stating that he was told that his services would not be required solely because he happens to be of an age that, in their eyes, was a little too old to be able to participate in a pension plan. No consideration was given to the fellow as to whether he was qualified for the job or not, as to whether he was physically capable of doing the job but solely that he was over 45.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, I think that this amendment is a very reasonable one. I am rather surprised at the attitude of the hon. Prime Minister (Mr. Robarts). I think the argument this afternoon just shows up the demanding restrictive practices of industry today. Not only in the matter of age, for some of the major industries in Ontario today demand that a man be a certain height, not less than 5 foot 7, and that he weigh not less than 150 pounds.

Some two years ago, this was brought to the attention of the federal Minister of Labour (Mr. Starr) who is the member for my constituency in the riding of Ontario, and he promised to do something about it. Now I presume he brought it to the attention of the federal government but, in the way of legislation, nothing came out of it. But he did send a letter to the different manufacturers in Canada, asking them if they would consider, and that is about as far as he got. I do not doubt for one moment, Mr. Chairman, that a number of those letters were

thrown into the wastepaper basket for the simple reason that the practice is going on today.

If a man is refused employment because of his age, he then has to apply for unemployment insurance. The Unemployment Insurance Fund is contributed one-third by the government, one-third by the worker and one-third by the employer. Therefore, the government of Canada and the worker contribute roughly about two-thirds of the Unemployment Insurance Fund and because this man cannot find a job, he applied for unemployment insurance benefit and therefore is a drain on that fund.

I submit, Mr. Chairman, that if the federal government has not got the intestinal fortitude and courage to introduce legislation to restrict these practices of discrimination on the part of age, then I think it is up to this government to show some leadership and I hope you will support the amendment.

Mr. MacDonald: Mr. Chairman, and I concede to you that this topic has been covered rather thoroughly, but I must say that the statement of the hon. Prime Minister (Mr. Robarts) this afternoon was so astounding that I think it requires a bit more consideration. It was astounding not only in terms of its contents but even more important in terms of its indication of what the government's intentions, strategy, or lack thereof, happen to be.

His statement fell into two parts.

First, the hon. Prime Minister gave us still another exposition as to the nature of this problem. Well, Mr. Chairman, I submit to you we have had this problem spelled out to the House both within this Legislature and across this province and this land for too long already without governments coming to grips with it. And particularly when the hon. Prime Minister this time resorts to such feeble excuses as the reference to the air line pilot as a reason why we should not move towards some statutory enactment.

Clearly he is not just expounding on the problem but he is confusing it and making excuses.

Hon. Mr. Robarts: Oh, nonsense. It is administratively impossible to do what the hon. member is asking.

Mr. MacDonald: It is not administratively impossible. That may be all the hon. Prime Minister can say but this does not end the problem, nor come to grips with it.

As a matter of fact, Mr. Chairman, now that we have gotten to the stage where the

likelihood of portable pensions in the foreseeable future, and retraining, and things of this nature, relieves at least some of the burden of unemployed at those age levels, it seems to me it is even more a practical proposition that we can put a law in, that we can catch those who are discriminating strictly on the basis of age. In other words, we have reduced the proportion of our problem.

If the government were arguing that this was too big a problem, and the law would be in effect a law that could not be put into effect—and all law comes into disrepute if we put it on the books and cannot really enforce it—then there might be some measure of validity in their stand. But they are not arguing that, and I do not think they argue that because I think we have reached the stage now where it is time, as we did with other kinds of anti-discrimination legislation, to put it on the books and say, this is going to come to an end.

However, Mr. Chairman, I come to the second aspect of the hon. Prime Minister's argument. Having spelled out the problem, he then proceeds to pick holes in the particular amendment that has been put before the House.

Mr. Chairman, for purposes of argument let us concede for a moment that some of his case was valid, that this was not the best kind of an amendment. If the government were going to do something about it then we would harken for one moment to this kind of argument; but obviously the government is not going to do anything about it, notwithstanding the fact that two or three years ago when we had that black Friday out at A. V. Roe the men who were turned out, and were seeking work immediately, found that they were being discriminated against because of age. It got into the newspapers and was reported in the House here, and the hon. member for Victoria (Mr. Frost), as the Prime Minister of the day, was most indignant at employers who did this. So at that particular time I said: "Well, if you are indignant, if you think it is wrong, why do you not put it in the Act?"

"Oh, well, we have too much law already," said he.

Well, Mr. Chairman, this duplicity of approach to a problem—spelling it out on the one hand and refusing to act—I think is the kind of thing we have had far too much of. As for the hon. Minister from St. Andrew (Mr. Grossman) who introduced the matter in the House a couple of years ago and presumably was absent from the Cabinet when

the matter was raised, or alternatively got voted down in the Cabinet, it will be interesting to see what he says or how he votes when he has an opportunity on this thing.

But, finally, the thing that impressed me was that having made all this line-up of excuses, the hon. Prime Minister ends up by painting a horrific picture. If you move to come to grips with this—what was his term—through a "straitjacket of statutory enactment." We are supposed to tremble with fear at the thought that we were going to be restricted further—another straitjacket. It almost sounded like a line out of the Chamber of Commerce's Operation Freedom, at the moment. Another straitjacket placed on the nation.

This is nonsense. There is at the present time in effect, and it has been for some years, in New York State, legislation coming to grips with this problem essentially along the lines of the amendment before the House. It is part of their human rights legislation.

Hon. Mr. Robarts: Quite wrong.

Mr. MacDonald: It is part of their human rights legislation.

Hon. Mr. Robarts: Spell it out.

Mr. MacDonald: It is part of their legislation, and if the hon. Prime Minister does not like the specific detail of this particular amendment I, for one, would say fine if he was going to be bringing in something more; but all the excuses that he has made indicate that he is not going to bring in anything more. I, for one, have more confidence than he that the draughtsmen of this government sitting under the wings over there could produce the kind of bill that would provide us with the legislation we wanted. We are just back to excuses.

Hon. Mr. Robarts: Let us be patient.

Mr. MacDonald: I think, Mr. Chairman, the government should come in with their own Act; and since it is clear that they will not, certainly I think that the House should express its view on the amendment which is before it now.

Mr. A. F. Lawrence (St. George): Mr. Chairman, I assure you I intend to be very brief on this but I want to say why I intend opposing the amendment.

First of all I do not think anyone in this House, or outside this House, would condone

the non-employment of people or persons solely or simply because somebody happens to be a few years older than another person.

I think this government and the province of Ontario has led the way as far as discrimination legislation is concerned. Obviously the subjects mentioned in this bill and which have been on the statute books are valid subjects for anti-discrimination legislation. Obviously a person in employment should not be discriminated against solely because of race, or his creed, or his colour or his religion or his nationality or his ancestry or his place of origin. These things are obvious, and these things are good, and these things are presently on our statute books; but the problem in regard to age, Mr. Chairman, obviously must be this: that age relates, whether we like it or not, in a great many cases, to ability. It does and there it no getting around it, any more than education relates to ability.

Now how in the world can we bring in legislation saying, for instance, that one should not discriminate solely and simply because of one's education. The reason is obvious: one's education relates to one's ability to do a job. Mr. Chairman, I submit that age is in the same category. Age relates to ability. Education relates to ability. In my mind, it is nonsense to attempt in this fashion, in this type of legislation—there may be other means and perhaps in due course we will be able to find those other means and perhaps the government will be able to present them to the people and to this House—but in this type of legislation to attempt to bring in so-called discriminatory legislation because of a man's age is nonsense; and I would submit that the appeal that is being made by the hon. members on the other side of the House in relation to this, has got more to do with playing politics and political appeal than anything else.

Mr. Bryden: Mr. Chairman, I have already expressed my views on this particular amendment, but I would like to make one further comment. I have listened with great interest to the weaseling of government spokesmen. I think it is time we faced the fact, Mr. Chairman, and that the government face the fact, that it is impossible for any human being to be on two sides of a question at the same time. They are trying to pretend they are for the principle of the amendment when they are against it. I think the plain conclusion to be drawn, Mr. Chairman, from the debate today, and I have no doubt from the vote when it is held, is that the Tory party of this province is at least willing to

tolerate discrimination on account of age if it is not positively in favour of it.

Mr. M. Belanger (Windsor-Sandwich): I would like to ask the hon. Prime Minister (Mr. Robarts) and the previous government speaker, if they will favour an amendment to The Pension Act so that a person who is 45 years of age can apply for a pension? Will they favour an amendment to that effect?

Mr. Lawrence: Could I ask the hon. member (Mr. Belanger) if he would perhaps consider good legislation removing compulsory retirement at 65 in relation to some industries—it is the same problem.

Mr. Belanger: No, no.

Mr. L. Troy (Nipissing): Mr. Chairman, I want to state my views on this particular amendment. I support it, although I am not concerned about age personally, because I am sure I will not have to worry about my present job as long as I want to hold it. That is not arrogance as the hon. member, who interrupted, said—that is just common sense.

I understand, though—I heard there was an unwritten law in the Liquor Control Board that there was a certain age limit. It is not spelled out. I understand there is an unwritten law in that department. But I notice there is no problem for certain people as long as they have a letter from a certain member of a certain constituency. I know one came up to my riding and he carried a letter; and, regardless of age, he got the job. But it says in this—

Interjections by hon. members.

Mr. Troy: The declaration of human rights, this very, very fine document; inscribed on it is the symbol of the United Nations—I had better be careful in talking of flags, it is kind of a nasty word in this House—but it says in article 3: "everyone has the right to life, liberty and the security of person." I fail to see where he is going to achieve that security to life and liberty if he is denied the right of a job; how is he going to get sustenance, how is he going to live? What security of person has he unless there is something in the statute books that is against discrimination because of age? We are supposed to be legislating now for the people of Ontario—well, I will not continue.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I would simply like to add to this some of the words that were used in a

previous debate when we were talking about this aspect of age, the hon. sponsor said,

that it will not solve this problem completely, but it is a good beginning. It is a step in the right direction. And if nothing else, it will have great moral influence on our society. Therefore, I would urge the hon. members and the government to give their earnest consideration to the support of this bill.

I wish I had had the eloquence, sir, to speak in those words. Because of the sincerity that I know that the hon. gentleman opposite had to say those few words, I know he will vote with us on this bill.

Hon. A. Grossman (Minister without Portfolio): Mr. Chairman, some time last year when this question was being discussed and I happened to be out of the House, there was some suggestion by some hon. member opposite that I deliberately ducked the vote. When someone came out into the hall to tell me that this was being said in the House, I ran in but just missed the vote. But I wanted to make sure today that I did not miss the vote, and I would like to tell the hon. members opposite that I never ducked a vote in my life.

When I was in the city council before I got to this august Chamber, I was known to be the only member in city council that never missed a vote in four years. And I was threatened many times. Many a time I was threatened that by taking a stand on an issue, and voting, it would destroy me politically. Now I succeeded in avoiding that defeat for ten years and whether I will again or not I do not know, but I will still not duck a vote when I can avoid doing so.

Let me tell the hon. members, Mr. Chairman, that I wholeheartedly am still in favour of the principle expounded by this amendment, wholeheartedly in favour of it. But mind you, the next time any of the hon. members opposite want to present their case, they should come to see me first; I could present a better case than they. They presented a very poor case for it. And this is what I am afraid of in the way this is being presented.

They are just muddying the waters, Mr. Chairman. They are just muddying the waters, and not helping the situation at all. There is no doubt—

An hon. member: What specious talk.

Hon. Mr. Grossman: Everything said on this side is specious, of course, and every-

thing said on that side is intelligent and we know it; we know it.

Interjections by hon. members.

Hon. Mr. Grossman: Mr. Chairman, I agree that there are some employers who act outrageously and are heartless in respect of employing people of certain ages. On the other hand, and this was brought out quite forcibly in the discussion on my bill and the bill of the hon. member for Hamilton East (Mr. Davison) I think it was; or perhaps it was the hon. member for Wentworth East (Mr. Gisborn) who brought in a bill at the same time, two years ago. It was brought out quite forcibly then that there were many employers who could not be blamed for taking this action because they were doing it in self-defence in competition with other employers—in respect to the fact that they had to consider pension plans, and the effect that age had on their pension plans, and so on.

I have no doubt that something must be done about this and I will continue to apply myself to that problem as long as I am able to speak for it. As a matter of fact, Mr. Chairman, the Liberals have changed their views somewhat in this because now they are in a position of having tried to steal something from a Progressive-Conservative member and from a member of the N.D.P. both of whom brought in bills for this originally. And I am sure their interest at this time stems from the fact that they saw that there was some interest in this problem on the part of the public after it was raised by the hon. member from the small group over there and by myself.

As a matter of fact, Mr. Chairman, the hon. leader of the Opposition (Mr. Wintermeyer) himself has just pointed out how difficult a problem this is because he just made a statement which in effect was discriminatory in respect of age. He said that he is in favour of compulsory retirement at 65. Now, that is discrimination if there ever was. There are many people at 65 who are more active and able than many people much younger, and as a matter of fact, at the time I presented my bill I pointed out that many people, due to early retirement, forced early retirement, had actually been killed by this retirement long before they might normally have passed away; because they were very active and mentally alert at 65 and would have been better carrying on.

Now, it was obvious at the time I presented my bill, Mr. Chairman, that the House was not ready for this particular bill—

Mr. Bryden: That was three years ago.

Hon. Mr. Grossman: That was two years ago—it was two years ago, and at that time I stated that my bill was being presented at least to bring the problem to the fore. At that time I had a voluminous file on this subject and it was quite apparent—

Interjections by hon. members.

Hon. Mr. Grossman: I would suggest to the hon. leader of the Opposition he had better not laugh because I am going to quote him in a minute. It was quite obvious at that time that the big problem was to bring it to the attention of all concerned that a problem existed and something should be done about it.

At that time, Mr. Chairman, at page 2521 from the same copy of *Hansard*, the hon. Prime Minister at that time stated:

Mr. Speaker, I am going to call the 21st order which stands in the name of the hon. member for St. Andrew (Mr. Grossman). Now that bill is almost identical—as a matter of fact the principle is the same—as order No. 22, standing in the name of the hon. member for Hamilton East (Mr. Davison).

I am going to call the first order, but both the hon. members might speak to the principle of the matter, after which I propose to call resolution No. 1 of the public notices of motion which, I think, is really inseparable from that problem. So, sir, I will call order No. 21.

Order No. 21 was the resolution presented by the hon. leader of the Opposition at that time having to do with portable pensions. The resolution was:

That the government make available facilities for the development of a province-wide scheme of portable pensions for all workers.

And the hon. leader of the Opposition, in rising to speak to that, stated:

Mr. Speaker, in rising to take part in this particular discussion I must say, at the outset, that I agree with the observations of the hon. Prime Minister.

That is the observation that these were inseparable from the problems of pensions at that time.

Further on, Mr. Chairman, the hon. leader of the Opposition stated:

Now, herein comes the problem that the hon. member for St. Andrew has outlined,

a real social problem. One of the difficulties today is that an employer hesitates to employ a man over 40 because of the substantial contribution that he is going to have to make to that man's pension plan, a contribution that will cost him more dollars than it would to employ a younger man for whom he would pay a lesser sum of money. That is one problem I would outline to hon. members.

Further, Mr. Chairman, the hon. leader of the Opposition, at page 2530, stated as follows:

I think the hon. member for St. Andrew is right.

Now I am not going to mislead the House; this was on the other matter of pensions, we were discussing pensions at the time, but he went on to say:

Not only do I think he is right, but I must say that, from the very beginning, I have felt that the question of vesting is the big question.

That is when we discussed the vesting of pensions. But his next paragraph, Mr. Chairman, his next paragraph is somewhat illustrating. He said:

Now, of course, the hon. members to the left will say: "Well, now, why not pass our bill?"

And he went on to explain why the hon. leader of the Opposition was not in favour of the bill presented by the hon. member for Hamilton East (Mr. Davison). He said:

We recognize vesting to be the problem.

And he went on to point out how this was the great problem involved. But the fact remains, Mr. Chairman, that he was pointing out that there was a good reason why he was not in favour of the bill that was presented at that time.

Further on the hon. member for Dovercourt (Mr. Thompson) stated:

What I am saying, sir, is that with this bill—and I agree wholeheartedly and commend the government and the hon. member for St. Andrew for having brought this bill No. 34 before us—we should not just feel that, because we legislate that industry must employ an older person, and that they should not discriminate on the basis of age, that is sufficient. There is a much deeper area, and much deeper thought, in connection with the whole economy, and I do not think that we should lose sight of that.

Now, Mr. Chairman, lest anyone should feel that I am now saying that I am not in favour of such a principle, let me repeat again, I am. The principle is much more complex than appears on the surface, and there is not the slightest doubt, Mr. Chairman, that it became apparent even that first night when we were discussing it here and then discussed portable pensions, that this is tied in completely with the matter of pensions. And, Mr. Chairman, I think that it will only muddy the waters at this time to confuse this issue while there is a study being made and which we hope will be productive of something we are all looking forward to—a solution to this problem.

Again I say I am wholeheartedly in favour of the principle, but as I say, it is completely tied in with the matter of pensions.

Mr. MacDonald: The hon. Minister is repeating himself.

Hon. Mr. Grossman: Well, I have heard the hon. member for York South (Mr. MacDonald) repeat himself a thousand times and it did not sound any better the last time than it did the first.

Mr. Chairman, if, as and when we decide that the portable pensions programme is not adequate to meet this problem then I will be just as strongly in favour of taking the kind of action we are talking about today.

Mr. Chairman: The amendment is before the hon. members. Will those opposed please say "nay". In my opinion the "nays" have it.

Call in the members.

I declare the amendment lost.

On section 5:

Mr. Bryden: Section 5 is a re-enactment of the operative section of The Female Employees Fair Remuneration Act, which will be replaced as soon as this consolidated statute comes into force.

Unfortunately section 5 is in identically the same terms, as far as I was able to determine from comparing the two, as the comparable section of The Female Employees Fair Remuneration Act. I would submit to you and to the hon. Minister, Mr. Chairman, that in its terms it is far too restrictive. The section reads as follows:

No employer or person acting on behalf of an employer shall discriminate between his male and female employees by paying the female employee a rate of pay less than the rate of pay paid to a male employee employed by him for the same work done in the same establishment.

Now that phrase, "the same work," Mr. Chairman, made The Female Employees Fair Remuneration Act a dead letter or close to it. Carrying the same clause into the new legislation will make this particular section of the legislation a dead letter too. It is the easiest thing in the world to evade the purpose of the section simply by making a slight difference in the nature of the work performed, so that the section is then inoperative.

As it now stands the principle of equal pay for equal work is applicable only in the cases of jobs that are absolutely identical. I doubt very much if there was ever a case where the old Female Employees Fair Remuneration Act ever operated because, principally, of this narrow terminology. I would have hoped that the hon. Minister in re-enacting this legislation would have used language that would have meant something and would have made the principle of equal pay for equal work—with which I think most people now agree—would have made it operative.

I am therefore going to move an amendment, Mr. Chairman, which I think will broaden the language of the section in a way which will make it effective and create an opportunity for the principle to become applied in practice.

Mr. Bryden moves, seconded by Mr. Gisborn: that sub-section 1 of section 5 be amended by striking out the words "the same work" in the last line and substituting the words "work of substantially the same nature."

I submit, Mr. Chairman, that the words I have proposed will give meaning to this section. It will not then be possible to differentiate and discriminate to any significant degree on the basis of very minor differences in the work performed. As long as the work is substantially the same then the principle of equal pay for equal work should apply. I know it has been suggested that the phrase "substantially the same" is not absolutely precise, which is true, but there are many phrases in the statutes of the province and other provinces which are not absolutely precise. These acquire precise meaning as they are interpreted and applied over the years.

It will be the function of the human rights commission to indicate the ranges in which it thinks the equal pay principle is clearly applicable, and for the courts, where necessary, to review the decisions the commission makes. But to give some flexibility of interpretation and some flexibility in administration, as my proposed wording would

do, would give an opportunity at least to make the principle effective.

As it now stands, this section is nothing but a pious hope. It will not have any effect whatever in establishing the principle of equal pay any more than the Act which it replaces has done over the past 10 years.

Mr. Chairman: All those in favour—

Hon. W. K. Warrender (Minister of Labour): Mr. Chairman, I want to speak in opposition to the proposed amendment which I think is just sheer nonsense.

First of all, if we had this amendment in as proposed we would have nothing but chaos in industry among the workers the length and breadth of this province.

Mr. Bryden: That is nonsense. It is the same wording as in other legislation.

Hon. Mr. Warrender: What does the word “substantially” mean? You would have a run on the human rights commission, who would be spending every hour of the day trying to decide the definition of “substantially” within the meaning of this section. I think it is so ridiculous it calls for no more comment.

Mr. Bryden: Mr. Chairman, does this not merely demonstrate the hon. Minister’s profound ignorance. Language of that kind is used in legislation in effect, and successfully operating, in other jurisdictions. The only difference that my proposed amendment would make would be that the section would become operative whereas now it has no force, effect or significance whatsoever—

Hon. Mr. Warrender: That is what you think.

Mr. Bryden: —and apparently that is the way the hon. Minister wants it. I defy him to show a case where the equal-pay principle was ever established under the legislation as it now stands. It is nothing but a dead letter or a piece of window dressing.

Hon. Mr. Warrender: Thank you very much for your contribution.

Mr. Chairman: Will all those in favour of the amendment please say “aye”.

Those opposed, please say “nay.”

I declare the “nays” have it.

Section 5 agreed to.

Mr. Bryden: Mr. Chairman, there was a request from more than five members for a standing vote.

Mr. Chairman: They were too late.

Mr. Bryden: We may have been too early but we certainly were not too late.

Mr. Chairman: Call in the members.
I declare the amendment lost.

Sections 6 to 21, inclusive, agreed to.

Preamble agreed to.

Bill No. 54 reported.

CERTAIN LANDS IN THE TOWN OF GANANOQUE

House in committee on Bill No. 55, An Act respecting certain lands in the town of Gananoque.

Sections 1 to 5, inclusive, agreed to.

Bill No. 55 reported.

THE CROWN TIMBER ACT

House in committee on Bill No. 56, An Act to amend The Crown Timber Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 56 reported.

THE LAKEHEAD COLLEGE ACT, 1956

House in committee on Bill No. 58, An Act to amend The Lakehead College of Arts, Science and Technology Act, 1956.

Sections 1 to 3, inclusive, agreed to.

Bill No. 58 reported.

THE NOTARIES ACT

House in committee on Bill No. 59, An Act to amend The Notaries Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 59 reported.

THE JUDICATURE ACT

House in committee on Bill No. 60, An Act to amend The Judicature Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 60 reported.

THE TRAINING SCHOOLS ACT

House in committee on Bill No. 71, An Act to amend The Training Schools Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 71 reported.

GREATER OSHAWA COMMUNITY CHEST

House in committee on Bill No. Pr1, An Act respecting Greater Oshawa Community Chest.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr1 reported.

CITY OF BELLEVILLE

House in committee on Bill No. Pr3, An Act respecting the city of Belleville.

Sections 1 to 3, inclusive, agreed to.

Bill No. Pr3 reported.

QUEEN ELIZABETH HOSPITAL

House in committee on Bill No. Pr4, An Act respecting the Queen Elizabeth Hospital for Incurables, Toronto.

Sections 1 to 5, inclusive, agreed to.

Bill No. Pr4 reported.

VILLAGE OF MARKHAM

House in committee on Bill No. Pr8, An Act respecting the village of Markham.

Sections 1 to 4, inclusive, agreed to.

Schedule A agreed to.

Schedule B agreed to.

Preamble agreed to.

Bill No. Pr8 reported.

TOWNSHIP OF NEPEAN

House in committee on Bill No. Pr13, An Act respecting the Township of Nepean.

Sections 1 to 6, inclusive, agreed to.

Schedule A agreed to.

Schedule B agreed to.

Bill No. Pr13 reported.

NEPEAN AND OTTAWA BOARDS

House in committee on Bill No. Pr15, An Act respecting the high school board of the township of Nepean and the collegiate institute board of the city of Ottawa.

Sections 1 to 4, inclusive, agreed to.

Schedule agreed to.

Preamble agreed to.

Bill No. Pr15 reported.

Y.M.C.A. AND Y.W.C.A. OF CORNWALL

House in committee on Bill No. Pr23, An Act respecting the Young Men's Christian Association and the Young Women's Christian Association of Cornwall.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr23 reported.

Hon. Mr. Robarts moves that the committee of the whole House rise and report certain bills without amendment and ask for leave to sit again.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report certain bills without amendment and asks leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow when we meet at 10.30 we will go on with the estimates of The Department of the Provincial Secretary and the Minister of Citizenship.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5.55 o'clock, p.m.

ERRATA

(February 26, 1962)

Page	Column	Line	Correction
627	2	30	Change to read: revisions in the liquor laws and of course
628	1	8	Change to read:
		14	tion? Little has been done. As I look
		15	changes and get away from just a hypocritical approach. We are cynical about this. Why



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, March 2, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 2, 1962

The House met at 10:30 o'clock, a.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the west gallery students from the Oakville-Trafalgar High School, Oakville.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Hon. J. P. Robarts (Prime Minister) moves that the select committee appointed on March 27, 1961, to inquire into and review The Municipal Act and related Acts be re-appointed and continue with the same membership and all the same powers and duties as heretofore.

Motion agreed to.

Mr. Speaker: Introduction of bills.

THE RETAIL SALES TAX ACT, 1960-1961

Mr. K. Bryden (Woodbine) moves first reading of bill intituled, An Act to Repeal The Retail Sales Tax Act, 1960-1961.

Motion agreed to; first reading of the bill.

THE MENTAL HOSPITALS ACT

Hon. M. B. Dymond (Minister of Health) moves first reading of bill intituled, An Act to amend The Mental Hospitals Act.

Motion agreed to; first reading of the bill.

THE ALCOHOLISM AND DRUG ADDICTION RESEARCH FOUNDATION ACT, 1949

Hon. Mr. Dymond moves first reading of bill intituled, An Act to amend The Alcoholism and Drug Addiction Research Foundation Act, 1949.

Motion agreed to; first reading of the bill.

THE PRIVATE SANATORIA ACT

Hon. Mr. Dymond moves first reading of bill intituled, An Act to amend The Private Sanatoria Act.

Motion agreed to; first reading of the bill.

HEALTH INSURANCE

Mr. T. D. Thomas (Oshawa) moves first reading of bill intituled, An Act to Provide for Health Insurance.

Motion agreed to; first reading of the bill.

THE RETAIL SALES TAX ACT, 1960-1961

Hon. J. N. Allan (Provincial Treasurer) moves first reading of bill intituled, An Act to amend The Retail Sales Tax Act, 1960-1961.

Motion agreed to; first reading of the bill.

THE HOSPITALS TAX ACT

Hon. Mr. Allan moves first reading of bill intituled, An Act to amend The Hospitals Tax Act.

Motion agreed to; first reading of the bill.

THE APPRENTICESHIP ACT

Mr. A. E. Thompson (Dovercourt) moves first reading of bill intituled, An Act to amend The Apprenticeship Act.

Motion agreed to; first reading of the bill.

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, before the orders of the day I would like to bring to the attention of the House the extension of the winter works programme. Our hon. Prime Minister (Mr. Robarts) has received a communication from the Honourable Michael Starr, Minister of Labour at Ottawa, advising that the government of Canada has authorized the extension of the winter works incentive programme from April 30 to May 31 this year.

I am pleased to say that this government, as a partner in the federal-provincial-municipal winter works incentive programme, has also authorized an extension of the time from April 30 to May 31.

This will permit municipalities to complete projects which were commenced under the programme and which have been delayed in many cases by the severe winter conditions we have lately experienced.

The current winter works incentive programme commenced October 15, 1961, and I may say that again this year, as has been the case for several years, there has been increased participation in the programme by our municipalities. Our records indicate that there is better than 12 per cent increase over last year in the number of jobs provided unemployed persons. Applications for winter works projects from our municipalities are being received daily showing a continued interest and with the extension of the programme for an additional month I have no doubt that the continued interest will be maintained.

Mr. V. M. Singer (York Centre): Mr. Speaker, I wonder if the hon. Minister would permit a question in regard to that statement? In the budget which was introduced yesterday, it was rather interesting to note the amount set aside for winter works for next year was less than the amount for the current year. In view of the hon. Minister's statement, about the importance of winter works, would he care to explain this?

Hon. Mr. Cass: Mr. Speaker, I think that when the estimates of this department are considered before the House, this will probably be explained to the satisfaction of the hon. member. I may say that we have found in the past that we have been very enthusiastic at the beginning of the season and have provided much more money than was actually used.

Each year the amount being used has increased, and each year we have tried to make the estimates more realistic. I think the hon. member will find that is the situation in this case.

Mr. M. Belanger (Windsor-Sandwich): Mr. Speaker, before the orders of the day I would like to direct a question to the hon. Minister of Agriculture (Mr. Stewart), notice of which he has received. Actually there are three questions: Who are the members of the hon. Minister's committee on vertical integration of fruits and vegetables; what organizations

do they represent; what are their terms of reference?

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, first of all I would like to thank the hon. member for sending me advance notice of this question.

With your permission, sir, I would just like to say that vertical integration is a matter of great concern, I am sure, to every hon. member of the House who has anything to do with agriculture in his individual riding. It is a problem for which there is no easy solution and no simple answer.

While we have suggested that as far as our government is concerned we feel we now have legislation, but if our legislation is not sufficiently strong now we propose to introduce amendments that will cause all growers to come under marketing plans that are already in existence regardless of the size of that grower's operation—when it comes to a matter of vertical integration this is something we feel we must have the very best advice on. We must take a look at it to assess all of the facts that are possible and to come up with what would appear to be an answer that would be suitable to all concerned. It is not primarily a matter for the growers' concern, although they are the ones who are vitally affected—and detrimentally affected, but it is also one of concern to the entire industry and to the agricultural economy.

So, Mr. Speaker, I welcome the hon. member's question. Our answer to the first part of his question: "Who are the members of the Minister's committee?"; is to point out that this is a Minister's committee appointed to explore the facts in relation to this matter. The chairman of the committee is Dr. H. L. Patterson, farm economics and statistics branch of The Ontario Department of Agriculture at the parliament buildings, Toronto. The secretary is G. F. Perkin, commissioner of marketing, Ontario Department of Agriculture, parliament buildings, Toronto. The members of the committee are Mr. Earl Mighton, senior purchasing agent of Campbell Soup Company Limited, New Toronto; Mr. Ben Ormseth, vice-president and general manager of Green Giant of Canada Limited, Tecumseh; Mr. J. L. H. Puddicombe, Maple Grove Fruit Orchards, Winona; Mr. Frank Parry, a vegetable grower from Chatham district and a member of the Ontario Vegetable Growers Marketing Board; Mr. Lawrence Kerr, of Kerr Farms, Chatham, Ontario; Mr. A. Dees, president of Hardee Farms International Limited, Toronto; Dr.

John Brown, secretary-treasurer, the Ontario Fruit and Vegetable Growers Association, Ontario food terminal; Mr. A. G. Shantz, president of the Fruit and Vegetable Growers Association of Ontario at Richvale; Mr. Mel Tebbut, Ontario Farmers' Union, Guelph, and Mr. William Tilden, Ontario Federation of Agriculture president.

In answer to the hon. member's third question: "what are their terms of reference?" I would suggest, Mr. Speaker, that these are not hard and fast terms of reference, they are terms of reference that are set down as an outline of what might be attempted or examined in the initial stages. If there are further channels that should be explored we shall be prepared to broaden their terms of reference, as this is a Minister's committee.

But our first suggested terms of reference would be this: this committee is designed primarily as a fact-finding committee.

Second, because of the present personnel, the investigations and studies will be confined to fruits and vegetables. If it is felt necessary to include other commodities, representatives with knowledge of these commodities will be added to the committee.

Third, it is suggested that the committee proceed by: (a) inviting written submissions on first, the extent of the problem in given areas; second, the reasons favouring vertical integration; third, the reasons not favouring vertical integration; and fourth, suggestions for improvements of the whole industry; (b) outlining and interpreting available information, to be assembled by research staffs, to aid in appraisal of the situation.

Fourth, appraisal of the problem by the committee with recommendations for improvement of the whole industry.

Mr. Belanger: Thanks very much.

Mr. F. R. Oliver (Grey South): May I also ask the hon. Minister when he expects this committee to report? Will it be a continuing committee over a number of years, or is he going to try to get them to come to grips with the problem immediately and report to him?

Hon. Mr. Stewart: Mr. Speaker, I anticipated that question. I must confess that I preferred to wait for someone to ask it.

The committee has already met. Their first meeting was held on February 20. They propose to continue meeting and we have asked for an interim report; I believe it is due in the middle of April. We have asked them to do everything they can to be as

far as they can on their deliberations and if possible to report to the department by mid-summer or early June.

Mr. Oliver: If the hon. Minister will excuse me; I was wondering why he has limited the examination of this problem to fruit and vegetables. Surely one logical further step would have been the broiler industry in any event, if he did not want to go any farther.

Hon. Mr. Stewart: As I said, Mr. Speaker, it is in the terms of reference that the other commodities would be examined if necessary as time went on. But we feel as far as the urgency of the matter at the moment is concerned, certainly vegetables is the commodity that is the major concern and this is where we propose to start.

Mr. D. C. MacDonald (York South): Mr. Speaker, may I ask another supplementary question?

This is something we discussed many times before with regard to Ministers' committees. What opportunity is there going to be for hon. members of the House to benefit from the studies and conclusions of this committee? Will their report be made available to hon. members of the House or will we have an opportunity to meet with them—for example, before the standing committee on agriculture—or is this going to be a private report to the hon. Minister upon which we will have no detailed information?

Hon. Mr. Stewart: I pointed out, Mr. Speaker, this is a Minister's committee and it will report to the Minister.

Mr. Speaker: Orders of the day.

House in committee of supply; Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF THE PROVINCIAL SECRETARY AND MINISTER OF CITIZENSHIP

Mr. Chairman: On vote 1601:

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship): Mr. Chairman, in dealing with vote 1601, this is the vote in which I have a particular interest. As the other votes are dealt with, there will be notice taken of some of the increases which have become necessary; but it is the increase in vote 1601 in which I have particular regard, for it is within that vote that the monies provided for the citizenship division

of the department are made available and there are certain significant increases for this year.

Hon. members will recall that a year ago The Department of Citizenship was formed by bringing over to join the very small section which existed in the department, that section of the community programmes branch that also had had dealings with citizenship, especially with the teaching of English or French, as the case may be.

I am pleased to say that with the fusion of those two small sections and with no additional staff, except secretarial assistance, I have a very strong belief that the work of the division in the field of citizenship has expanded far beyond what we might have originally expected. However, we have reached the stage where in carrying out our commitments for the future we do need further assistance. So in the vote for main office, salaries and travelling expenses and maintenance, there are certain increases which are brought about by the expansion of the work of the citizenship division.

An increase in salaries is being asked which will provide the department with two liaison officers and secretarial assistance. Their appointment will necessitate travelling throughout parts of the province, and accordingly there is an increase in travelling requirements.

There is an increase of some \$30,000 in the language and citizenship training section to provide for an increase in classes for special groups, such as persons in institutions, shift workers, the unemployed, both in the Metropolitan Toronto area and other parts of Ontario.

We are asking for an increase in the maintenance portion of the main office. There is a sum of approximately \$45,000 in this regard in the division of citizenship to provide for additional expansion in several fields.

A year ago I announced to this House the holding of certain seminars. They were held and proved very successful indeed. Leaders of ethnic groups and community agencies and other interested persons were invited to hear the senior personnel of various government departments present the story of the work and the services of their departments, with special reference to the needs and interests of newcomers. The seminars which were held were on labour, education, health, welfare and the workmen's compensation board.

From our own observations and from the reports from various departments, and primarily from those who attended, we believe that the seminars have served a most useful and unique service within the community.

The interest which was shown was heartening indeed. The seminars started at 6.30 in the evening with a light supper provided at the cost of the department, through the facilities of the international institute. Then there were discussions by the departmental experts and then the people broke up into several panels.

It was very interesting to note the attention that was paid. Individuals sat from 6 o'clock until almost midnight interested in the discussions that took place.

It is our hope this year to do two things: to have additional seminars dealing with other departments of government and other services, and then perhaps arrange that these seminars will be held in other centres of the province of Ontario where a need for such seminars is being felt, in such areas as Hamilton, Niagara Peninsula, London—I also notice interest from the city of Ottawa in this regard. Monies are being provided for this.

The seminars provided the department with a useful compilation of information in that we were able to bring out those points which were of particular interest to those present. We are proceeding now with plans to have the basis of the discussion at these seminars published in brochures in 13 different languages. They have been selected as representative of perhaps the largest number of our newcomer groups and are related to need.

It will be a programme which will cost, with respect to these seminars, in the neighbourhood of just under \$60,000. We are hopeful that it will serve a very useful purpose at this stage of the growth of our province, where so many have come to this province and there is a necessity for their integration into all aspects of our life.

We are providing in the maintenance a sum of \$10,000 to carry on research. In respect of the needs, the desires, the aspirations and the procedures to be followed in the integration of the newcomers, there are a lot of ideas which have been put forward. Ideas, or expressions of opinion, are something we do not lack. We are hopeful that by applying the tested methods of research we will be able to find out in which directions the needs are the greatest and in which direction the return for dollars expended will pay the greatest benefits.

There is additional provision for the holding of exhibitions which we have found to be most useful and for translations, the demand for which is growing continuously.

There are a couple of matters which I should like to refer to directly in which the department has taken active participation.

I remind the House again, Mr. Chairman, of the participation of this department in the teaching of English by television in co-operation with other interested groups in the city. Those hon. members who may have had the opportunity of seeing the programme on Saturday and Sunday at noon will have seen the unique methods which have been developed in this field.

This is the first time anywhere in the world where there has been an attempt to teach a language by this media to persons who do not understand any words of the language which is being taught. The cost to the department of this programme will be some \$7,000. It will have consisted of 78 half-hour programmes over CBLT.

It is in this area that we are also doing research work to determine the effectiveness of this media. The cost of \$7,000 to the department, we feel, is a very negligible one indeed. I would imagine that the estimated cost of this programme on television, the whole cost, would be well over \$100,000, perhaps into several hundreds of thousands of dollars.

I say this on behalf of those in the department who played a great role in bringing about this co-operation. Had it not been for the spark of the individuals within the department working very closely with the organization META, this programme would not have come off. I think it will be one of the outstanding achievements of this department, provided our research proves its effectiveness. But certainly it was an indication of how groups could get together to co-operate in this and I remind the House, Mr. Chairman, that the supporting agencies, in addition to our own division, were the *Canadian Scene*, of which I have spoken at some length on previous occasions in the House; the citizenship branch of the federal Department of Citizenship and Immigration; and of course META and the station.

Another example of co-operative action involving a community welfare agency, charitable foundations and two levels of government, is a special project of The International Institute—an institute, Mr. Chairman, which is doing outstanding work in the field of citizenship and in the field of making people welcome to our city and to our province. I will not go into the detail of the work at this time except I should like to make mention of Mrs. Nell West and Wing-Commander Harry Forbell as the persons most vitally concerned in the institute work and who are doing an outstanding job.

The field of co-operation that I referred to and the people participating are as follows:

the Laidlaw Foundation is providing \$12,000; the Macnamara Foundation, \$1,500; the federal citizenship branch, \$2,500; and our own branch, \$2,500; each for two years, to operate a special branch of the International Institute in the area of Toronto settled primarily by newcomers. Its job will be to study the welfare needs of these newcomers, to acquaint them with the services of all community agencies, especially those financed by the United Appeal and, if necessary, to recommend such changes in the pattern of services as may seem necessary in order to draw these newcomers more fully into the total life of Metropolitan Toronto.

And again, Mr. Chairman, I say, with due respect to all participants, that it was the active interest and the spark of men and women within the citizenship division which encouraged the International Institute to approach all these agencies to bring about this co-operative effort.

In respect to the research project which I have mentioned, I should like also to make reference in detail to the work of one agency which grew out of our seminar on education. I refer to the Centro Organizzativo Sevole Tecniche Italiane, known as COSTI.

One of the participants in the seminars was Father Carraro of St. Helen's Church, on Dundas Street West, which has a very large Italian membership. The problems raised by Father Carraro at the seminar led to the formation of a three-man committee, consisting of Father Carraro, Mr. Graham Gore, assistant superintendent of secondary education in Toronto, the director of citizenship in our department, and later other members—Mr. Arthur Pigott of the Canadian Association of Adult Education, and Mrs. West, of whom I have made reference, from the International Institute; Miss Charity Grant of the federal citizenship branch—were added to this committee.

The role of this committee was to devise a scheme for educational upgrading, and vocational training for Italian immigrants whom Father Carraro undertook to assemble and register. As a result, some 300 Italian young men were tested, registered and sent to special courses in two Toronto secondary schools. This again was the result of excellent co-operation between an ethnic group, the officials of the Toronto Board of Education, and our citizenship division.

I shall not go into the details, Mr. Chairman, at this time, of our teaching of language, apart from the reference I have made to the work of META on television, except to say

that I had the pleasure this summer of speaking to a group of students who were graduating from one of our summer classes. Summer classes achieve two purposes; they provide classes for students to attend in the summer time, and they also provide a method by which we can train and teach teachers to teach English to newcomers.

I was very much interested that one of the students who participated in the graduating proceedings, Mr. Edgar Reich, quoted a poem. It may not rank with the poetry that has come down through the centuries throughout the world, or in our own homeland, but I was very much interested to see what a student of basic English could compose, and I quote as follows:

We all came to Canada,
Biggest of all free lands,
To share in all its promises
And the freedom for which it stands.

Though sometimes suffering heartache,
For those we left behind,
We'll always do our very best
In any job we find.

Canada gives us freedom,
Our old customs to retain;
May we always use them wisely
And new Canadian customs gain.

We're learning to speak Canadian
As our Canadian neighbours do,
So we can take our rightful place,
Being Canadians strong and true.

May Canada in the future
Turn to us with rightful pride,
And say she's very happy
She welcomed us inside.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I have always admired the poetry in the soul of the hon. Minister of Citizenship (Mr. Yaremko), but really what the newcomers to this country are concerned about is not poetry but action. And I would say, at the start of these remarks, the department that he is heading always impresses me with a certain irony, because the work that he—and I think he is trying to achieve with great sincerity—really should have been started a long time ago. It is something like having a small boat which is brought down to the seashore with great fanfare to be launched, only to find that the tide has ebbed, and there is not much water around to make use of the boat.

The tide, in connection with people in this country, unfortunately is ebbing. I think we are all deeply concerned that the ratio of immigration to emigration in Canada is to

the advantage of emigration. And, of course, this is of great concern.

I remember a number of years ago that a certain gentleman perceived the necessity for immigration; and he said: "If I get into office I can assure you that we are going to populate or perish." That gentleman is known for making a number of such statements which he has not kept. As we all know, I refer to the Rt. hon. Prime Minister of Canada, John Diefenbaker, when he was speaking to a group of ethnic editors and had been asked a question on immigration. "Populate or perish," he said. Well, he certainly is a man of gloom if he looks at the figures of immigration today. They are the lowest they have been for many years.

Hon. Mr. Yaremko: Mr. Chairman, perhaps you may not see fit to make a ruling on this, but I bring to your attention that there is nothing in the estimates of The Department of Provincial Secretary on immigration. This is a department that deals with citizenship.

Mr. Thompson: I was talking on citizenship.

Hon. Mr. Yaremko: I am just bringing up a point of order.

Mr. Thompson: Mr. Chairman, surely when one talks about citizenship, one cannot ignore the stuff that makes citizenship—which is the immigrants to Canada.

I agree with the hon. Minister (Mr. Yaremko) that it may be hard to find a number of them now, and therefore he does not want to talk too much about it. This is the very purpose of his department; and if he is not going to talk about immigrants and immigration, why on earth is he even standing up as the hon. Minister of Citizenship?

Now what is the citizenship branch doing? Last year the hon. Minister of Citizenship told us that there was a Department of Citizenship Act and it described the purposes of the citizenship department. He said that the Act specifies that the Minister, and I am quoting now from *Hansard*:

The Minister shall initiate action not only on his own but in co-operation with other Ministers in the government of Ontario, within the public service of Canada, at the municipal level and with other organizations. The department will develop as a channel through which communication can be established, and action taken, and information provided to all, so as to make their citizenship more meaningful.

Further on, he said:

The branch will also study the problems of newcomers requiring information in reference to other departments, and the staff will be able to handle requests in 12 languages.

And then, in referring to these departments further on, he describes them:

I would think that the following branches would have a contribution to make: apprenticeship branch—

I would like to repeat that: “apprenticeship branch” was one which would have a contribution to make.

—operating engineers, fair employment practices: minimum wages—

I would like to repeat that: “minimum wages.”

—anti-discrimination, workmen’s compensation, and I think it would be advisable to have a representative of the national employment services.

He is referring to the seminars, about which I congratulate him, mentioning the kind of problems that could be discussed. Well, sir, I would like to come to these problems, a little later.

But first let me say that he talked about the classes in English or French. I appreciate he recognized the two national languages of our country. One question, sir, which I would appreciate if the hon. Minister would answer at a later time, is: how many language classes has he in Ontario, for newcomers, in which French is taught?

Another question, what is the fall-out of the students who attend the classes? I suspect there is great deal of garnishing with respect to stating the number of people attending classes. But the real emphasis should be placed on how many go through the classes; who attend them right to the end. And I would appreciate if the hon. Minister, through his department, would let us know the number of people who have fully attended the course on learning English.

Another question in connection with language classes: I would be interested in knowing if he has a particular course on citizenship, if he is still continuing that, and how many people attend that course. And secondly, if he has been able to make an arrangement with the courts, the citizenship courts, that they will acknowledge graduates who take the citizenship class.

I would be interested in knowing about the kitchen groups about which he talked. They

were experimenting last year in having classes in kitchens for mothers, and I wonder how successful they have been. I am taking advantage as I am talking now, sir, and I hope the hon. Minister will not mind; I am looking anxiously at him—I realize there are a number of questions and I am wondering whether he is noting these down. I would suggest he do so if he has not made a note of them.

The other thing that interested me was that he talked about the TV programmes teaching English. I must say that we on this side have urged that such experimentation should take place; we have been asking for two years that this experiment should be tried. But I would say that I had hoped, when they were going to try the experiment of teaching English to newcomers through TV, that they would use some horse sense and common sense in the method by which they went about it. And I would think that the hon. Minister knows, I am sure he knows as well as I, that many of the newcomers who would want to take advantage of a TV course are also God-fearing people and attend the churches of their choice. And, as I understand it, his TV course is at noon on Sunday.

Hon. Mr. Yaremko: On Saturdays and on Wednesdays.

Mr. Thompson: Well, I am particularly referring to the Sunday time. I would say that the noon period may be a reason why he is not getting as many people to watch the programme. On the other hand, I would be interested in knowing whether the hon. Minister could tell me if there is any way of knowing what the numbers are who are watching. I would suspect that on a Sunday there would not be as many watching, and I question whether that was an advisable time to have it; but I am sure the hon. Minister has checked, and will have the information for us.

I notice where the hon. Minister wants increased estimates in order to have two liaison officers. I am not sure specifically what these people are going to do. There is a federal citizenship branch. I would appreciate it if the hon. Minister would be good enough to spell out in concrete terms just what they are going to do. I would suggest that when this citizenship branch was launched the purposes that were suggested did not appear to be particularly concrete.

I do not blame the hon. Minister for the launching; he took it over after it was sinking; but it was launched on a sea of tea, Mr. Chairman. There were going to be tea parties, and the gallant man who was going to launch this told us he knew there were tea parties

around but he could not exactly tell us where they were. The hon. Minister has brought the thing down to more concrete terms; I must be fair to him in that.

But I still suggest that it is not concrete enough. I had read that he was going to try to explain the apprenticeship branch to newcomers. How can he explain this to many newcomers across this fair land of ours when he must be embarrassed by the barriers imposed through The Apprenticeship Act? It is not permitting newcomers to take advantage of apprenticeship training. He knows this very well; for he referred to Father Carraro.

As I understand it, and I may be wrong, it was the hon. Minister's department which was keen in pushing this training, and he was quite uncomfortable and embarrassed when he found that there was this difficulty in the part of The Apprenticeship Act. I suspect that the hon. Minister himself is very keen that there will be opportunities for retraining of newcomers under Schedule 5, and I urge him, because I feel he is keen on this, I urge him to do everything he can to see that the Act is changed.

I have just put in a bill in connection with the age limit; also there must be recognition given to the background of the immigrant before he comes to Canada. I gave the figures of the group, to the hon. Prime Minister—I think they are in the hon. Minister's own riding—who were hoping to take retraining. And then they find, after their hopes have certainly been raised by the action of The Department of Education, they find that unfortunately they can only take English but not the practical training.

I know the hon. Minister himself personally is disappointed, as we were, and as those men were, when this took place. And I am sure that the hon. Minister will do everything to make citizenship concrete, to make the programme concrete. Because, sir, as well as talking of the glories of Canadian citizenship—it is certainly a wonderful thing to have—the means to feel the satisfaction of being a Canadian surely rest on a number of aspects. One of the most important is the opportunity to work.

And I know the hon. Minister must be as concerned as many of us at the number of newcomers, and indeed the number of Canadians, who are out of work. He stated last year that he had a counselling service in his department. I would suggest that the greatest counselling that could be given to many immigrants who are keen to get a job is counselling as to where they could get a job—whether it is with the extended winter

works programme, whether it is building hospitals, or whatever it is. It would cure much of the unhappiness and much of the difficulty of integrating into Canada, if there was work for people.

I have every day, in a little office on Bloor Street, men coming to me saying they would do anything to get work; they want to work in the public works programme. And some of them with bitterness, sir, say: "You know we came to this country because we heard it was a land of opportunity. We want to be citizens, we want to live here, but how can we when we can't even provide for our children?"

So I would suggest that tied in, in fact one of the cornerstones of citizenship work that the hon. Minister could be doing, is to encourage his hon. colleagues to start more public works programmes, to really seriously look at the unemployment picture, particularly as to how it affects many of our new arrivals. I suspect there is still a certain cynicism on the part of some of the hon. members when you tell them that there are men unemployed through the winter; that they have the feeling it is because they are shiftless. The hon. Minister knows as well as I do the great number of people who came here, who came with hope in their heart for a better future; they want work.

Next, I notice that the hon. Minister has talked about safety as one of the areas which he might explain to the newcomer. I am talking about the previous speech of the hon. Minister—

Hon. Mr. Yaremko: I was talking about the seminars that we were going to hold.

Mr. Thompson: Yes, in talking about the seminars; I had asked the hon. Minister a question during last year's estimates with respect to safety, and the hon. Minister said this was an area that he himself was deeply concerned about.

Well, as the McAndrew report mentions, covering the aspect of interpreting safety legislation to the newcomer, it was badly needed to have safety regulations and the rights of the newcomer printed in three languages. I know the hon. Minister of Labour (Mr. Warrender) has read this report thoroughly and is probably considering this. I think there were three languages suggested in the McAndrew report.

I notice that one of the points of emphasis that the hon. Minister makes is that he is going to interpret not only the regulations and the laws of this province, he is going to see it gets known by the new people across our land. Well, I would suggest that the

greatest help for him would be to read the McAndrew report and to follow its suggestions.

Hon. Mr. Yaremko: I have read it.

Mr. Thompson: And is the hon. Minister going to follow the suggestions? That is, by translating safety regulations and the rights of the workers into the three languages suggested? What is the hon. Minister going to do about it; that is the question I raise, because I feel there is a terrible susceptibility on the part of the hon. Ministers on the other side to read but not take action. We have been waiting a long time for this action. I know that the hon. Minister is concerned; I know he is concerned; but we want to see more than concern; we want to see action.

I shall move to another point the hon. Minister was going to explain in his seminars. I congratulate him on his seminars and I congratulate him on the contents that he was going to discuss. One point was minimum wages. What a tragedy to discuss minimum wages to men for whom there is no minimum wage Act. What one earth was discussed?

When the next seminars are held I will supply some of the people gladly with information on the inequality of wages for many men in this country, examples of the exploitation of immigrants. I will supply that for the seminar. From these seminars we hope to get action. And I would hope that the hon. Minister, realizing that citizenship can be emphasized through concrete action, will be urging a minimum wage Act in order that there will not be exploitation of immigrants.

Let me come to another point—welfare. I must say I do feel personally very strongly about this, because this is one area about which I get a large number of people coming to me in my little office. They are apprehensive, first of all, about applying to the welfare offices. They do not really want welfare; they want a chance of a job. And when they do not get a job, in desperation, because of their families, they have to apply for welfare.

There are people, and I am thinking again of newcomers, who because of language barriers, because of a tradition of fear towards bureaucracy, are concerned and apprehensive about going for welfare to which they should be entitled. They are, in fact, concerned about going to any government office.

Does the government office ease the lot of these people? Has the hon. Minister, with his concern of interpreting services, has he

thought that he might get this right down to the point that when a man applies to a civil service office, and cannot speak the language, he should have adequate interpreters there?

The hon. Minister, as I have, has been with newcomers; I am thinking of a particular group of newcomers, almost 200,000 of them, and they are paying taxes. They have worked and built many parts of this city and this province; and then, because of hard circumstances, economic circumstances beyond their control, they turn to this government—which, I am sure, as much as the federal government, has invited them, encouraged them and welcomed them here—and they go to an office provided, supposedly by the government, to assist people in need.

I have gone with some of those people, and I have watched the difficulty they have had; I have watched the lengthy time they have had to wait.

I had a man in my office yesterday. His face is scarred from an accident on his job. He has got new tissue placed around his face. His hands are burned. This man, for the last nine months, has been trying to get some work. He gets something like \$29 a month from the workmen's compensation. He has got a family of two young children.

He came to me yesterday. He had been going around trying to get work; he picks up an odd job here and there, he will do anything. Believe me, this is the point that irritates me.

I have listened sometimes to men, comfortable, complacent, saying that really the jobless are a shiftless lot. I would like them just to go out to meet some of the people who are jobless and realize the tremendous need and desire they have for work.

Hon. Mr. Yaremko: The hon. member has never heard any man in this House say a thing of that kind.

Mr. Thompson: Sir, I will tell you this. It crossed my mind, when the hon. Minister was talking about the need for people to get work, that the hon. Minister of Public Works (Mr. Connell) suggested that really there is not that much need because he put an advertisement in the paper applying for some kind of a cow herder or goat herder, for whatever kind of animals he keeps on his farm there, and he said no one had answered the ad. I have listened—I do not know if this is familiar to you or to the hon. Minister, Mr. Chairman, but there has been a reference to people who want to talk about reality;

that they are prophets of gloom and doom. In other words, there is the suggestion in some quarters that everything is rosy and happy. I notice the hon. Minister smiles; it rings a little bell with him.

Hon. Mr. Yaremko: I look at the hon. member's rosy cheeks and see that that may be completely wrong.

Mr. Thompson: Well, I feel uncomfortable that I have put on so much weight.

But, sir, I would like to say that I do feel very strongly about this. The services are not being properly staffed in order that people who do not speak the language can get the compassionate attention that they need. This man who came to my office yesterday told me he hated going down to the welfare office; first of all, because he had dignity; he wanted to get a job, but secondly he hated going down there because no one understood him.

Hon. Mr. Yaremko: Which welfare office is that?

Mr. Thompson: This is the welfare office in my riding.

Hon. Mr. Yaremko: Operated by whom?

Mr. Thompson: Operated by the city, but the hon. Minister's department gives grants for it, and I think that if they give grants they should have certain standards. I admire very much the work that the people are doing down there, but I still think—. The hon. Minister was at a banquet with me the other night at which this was emphasized again; that where we have a large group paying taxes, helping to work and to build up this city and this province, surely when they see the needs that they have, rightful rights that should be given to them, the hon. Minister through his department, with his experts on interpreting these rights, should see that the government agencies are properly staffed in order that when a man comes in he gets adequate attention to provide his rights.

I am suggesting, sir, that these government agencies are not being staffed properly and efficiently, particularly where you have a large segment of the population that speak one particular language and are struggling to learn English. You need to get more representatives of those people in government services.

I would like to suggest this, sir, because this is all part of citizenship, the struggle of the newcomer to integrate. If he has not got a

job, if he does not understand his rights, if he is concerned about an adequate wage, and if there is no protection for him to get an adequate wage, and if he is exploited when he is in dire need, if he cannot interpret his need to people, surely citizenship to him and talk of citizenship is very empty. That is why I am sure that the hon. Minister himself, who says that he is going to work with other government departments, will not only work with them but will get them to push forward for some action in order that there really will be equal opportunity.

I want to just emphasize again; the hon. Minister has talked about his teaching English, and I would hope, sir, that as well as teaching English he will emphasize vocational training. Now, I know the hon. Minister does not want me to talk about immigration but I somehow cannot disassociate his department with immigrants even though he might see that there is a disassociation. It seems to me that his department should have some connection with immigration. I do not know that he agrees with me, but to me it is rather apparent that the purpose of his department is in connection with the integration of immigrants.

I would like to say, sir, that the hon. federal Minister of Citizenship and Immigration (Mrs. Fairclough) has said that the skilled will be allowed to come to Canada and this is how their selective process will be. So we know that the skilled from countries which, probably during the past 4 or 5 years, enjoyed better management than ours are now enjoying prosperity. I am speaking of the industrial countries, and in particular the European Common Market group.

We, unfortunately, have not had, in some cases, the enlightened dynamic leadership in our country in connection with our economic affairs that they have, and therefore there will not be the same attraction for skilled immigrants from those countries to come to Canada. So if the government wants skilled immigrants, it is going to have to go to rural areas and overpopulated areas. If it is going to attract these people who have skills to come we have got to make some provision for adapting them into our economy; I would suggest, sir, that in connection with the citizenship branch it would be well to look at the experience in West Germany, for they are bringing immigrants in, from Italy, for example, and as they are adapting them into the economy and into industry they are training them.

I suggest, sir, that some people may say: Why should we train newcomers? But as the

economy starts to develop again and is developing again, I would think we need more people. I think the hon. Minister believes this very strongly.

If we are going to invite more people, we are going to have to provide some kind of a retraining programme for them. That is why I think it is so important a decision that the hon. Prime Minister (Mr. Robarts) has to make now if he is going to provide retraining—should it be more than just English language training—retraining in connection with vocational skills.

His ruling is going to affect the way the province is going to cope with the influx of people. I suggest that the hon. Minister of Citizenship (Mr. Yaremko), because of his departmental responsibilities and his own personal sentiments, is close to the problems of many of these people. I suggest he urge the hon. Prime Minister and Minister of Education (Mr. Robarts) to think very carefully before he holds fast to that decision in connection with retraining.

I have just two other questions on which I would like to hear from the hon. Minister. I notice that he says that he gets, I think it is, 25 ethnic papers on his desk. Am I correct in that?

Hon. Mr. Yaremko: No, I read 12 every week. We get about 40, I think, in the department.

Mr. Thompson: I see. The question I am interested in is why does the hon. Minister get 40 of these papers? Are these translated and to whom do the translations go and for what purposes?

On my other question: I enjoyed it very much when the hon. Prime Minister came near my riding and spoke to an ethnic group a little while ago. It was an inspiring speech he gave and it showed his detailed knowledge of the group. He either has a fantastic memory—sure he is fantastic in many ways, but in his memory particularly, I thought, because he pointed out by name people who live both in the riding of the hon. Minister and myself.

Hon. Mr. Yaremko: I thought it was a good speech too.

Mr. Thompson: It was a good speech. I would be interested in knowing who wrote it, that is really the question to which I am coming. I have a strong suspicion that the citizenship branch could be used for political purposes—

Interjections by hon. members.

Hon. A. Grossman (Minister without Portfolio): Who wrote Pickersgill's speeches when he was Minister?

An hon. member: Mr. Pickersgill did not need anyone to write his speeches.

Hon. Mr. Grossman: How many have been written for Mr. Pearson?

Mr. Thompson: Mr. Pearson is very apt at writing his own speeches. I would like to point out—I do not think the hon. Prime Minister sees this—I am not a civil servant so that if I had to write a speech for Mr. Pearson—which, of course, is completely unnecessary—but if I had to, I would be doing it quite legitimately since I am not a civil servant. That is why I ask the question regarding this very informed, good talk on the part of the hon. Prime Minister, with the knowledge he showed of the names, with his fluency in Lithuanian as well—for which I should congratulate him—interspersed with greetings in Lithuanian. I understand he will be doing the same thing in other languages.

Hon. Mr. Yaremko: He is a very accomplished man.

Mr. Thompson: Indeed he is. The citizenship branch, I hope, will never become a little extra department of the hon. Prime Minister's political office—the political office of the hon. Minister.

Now the hon. Minister may say, as the hon. Minister of Health (Mr. Dymond) said: "Andy, that does not become you". The only reason I had just a small seed of suspicion was that I remember at the previous election, the last election we had, when I thought I would go down to the C.N.E. and try to make myself known that an affair that was taking place—

Hon. Mr. Yaremko: A non-political affair.

Mr. Thompson: Yes, a non-political affair! But here I saw what the taxpayers of this province were providing, a great, big sign with—I must say he is a very good-looking man—with a picture of the hon. Minister of Citizenship—

Hon. Mr. Yaremko: The sign was big but the picture was smaller than the hon. member is showing.

Mr. Thompson: Well, I have also noticed that there are many pictures in advertisements in the ethnic papers—perhaps they have eased off now—but for a period there was a flurry of these pictures through all the language

papers. They would be talking about the problems of the newcomers and then they would look at a picture of the hon. Minister.

How is the picture of the hon. Minister associated with interpreting their problems? I would be interested in knowing if the citizenship branch is a branch that wants to give concrete action in helping newcomers towards citizenship. I feel the hon. Minister is a man with a lyrical tongue, a man with a deep sense of poetry—he has a place in our society, believe me, as a poet. My question is, has he a place in our government as the Minister of Citizenship?

Hon. Mr. Yaremko: Mr. Chairman, the hon. member poses so many questions, I cannot even begin to remember all of them, and all because I brought to his attention we had a staff of nine people and we were going to ask for funds for an additional two, which will bring our staff to 11. Including the deputy Minister of Citizenship and myself, that makes 13.

If we were to tackle one hundredth of the the problems involving all levels of government which the hon. member has posed to me, we would be very busy indeed within this one field for the next year. I can tell hon. members that we have more than our hands full operating the plans of our department without telling the local governments or other governments what they should do.

I was very much interested in some of the remarks of the hon. member. In reference to the political purposes that the department may be put to, I can assure him that The Department of Citizenship is devoted utterly, completely and solely to the integration of newcomers and citizenship generally in this province. I might have thought that perhaps the hon. member was speaking from personal experience. He is one of the few men in this province who is in politics that was himself, I believe, a liaison officer with the federal Department of Citizenship.

I remember so well, in those days, meeting the hon. member as a civil servant at various gatherings and wondering what the job of that particular section was. I must confess that I never could put my finger on one concrete thing in those days that the federal Department of Citizenship was doing in integration. I suggest to the hon. member that the most forward steps have been taken by this government in actual concrete programmes.

Mr. Thompson: We worked very closely, in co-operation with the provincial government.

The citizenship branch had many language classes and seminars at Couchiching and if they were not concrete things—

Hon. Mr. Yaremko: I know the hon. member's sincere interest in this problem, because I knew him as a civil servant. I picked up the paper and I saw that the hon. member had resigned from the service, he was out of it. I thought: at last, in protest to the fact that that government was not doing what he thinks it should, he had resigned.

But then there was a coincidence. It happened that a change of government took place and the hon. member went from The Department of Citizenship and Immigration to be liaison officer for the hon. leader of the Opposition. That was the closest and the quickest transformation I have ever witnessed.

Mr. Thompson: On a point of privilege, first of all the hon. Minister suggests my motive, which I do not think—

Hon. Mr. Yaremko: I never suggested a motive at all. I was telling about the misapprehension I had been under.

Mr. Thompson: I see.

Hon. Mr. Yaremko: I would never suggest any motive to the hon. member.

Mr. Thompson: The basis, sir, of my transfer, or my leaving the department, was because—I did not realize this at the time, but I do now. I left a department which was active, with many immigrants coming in. Today, unfortunately, there are not quite as many immigrants, it is not quite as active as it was in the boom days of practical immigration policy under the Liberal government.

I did not go directly from the citizenship branch to work for the leader of the—

Hon. Mr. Yaremko: To CBC!

Mr. Thompson: I went to the CBC.

Hon. Mr. Yaremko: Oh, yes, why did the hon. member work there?

Mr. Thompson: I appreciate the hon. Minister knows as much about this—

Hon. Mr. Yaremko: I was very interested in the hon. member's interest in immigration, as I have definitely—and have been all my life, as the hon. member knows—been interested in immigration, although that does not come within the jurisdiction of The Department of Citizenship. I was interested

in seeing the hon. member's tremendous interest in the present department and the work he would like to see it undertake. I was in this House less than two years ago and the hon. member stood there and scoffed at the idea of The Department of Citizenship in Ontario. The hon. member said on February 22, 1960, on page 593 of *Hansard*:

It was not until a little later that I started to think—

I am under the impression that the hon. member really thinks all the time—

An hon. member: That is a lot better than the hon. Minister does!

Hon. Mr. Yaremko: This was a method of expression.

—that I started to think: "Surely citizenship is a federal matter. It is a federal concern, and the Ontario government should not move in to establish Ontario citizens."

But we certainly have enough work to do, now we have.

An hon. member: He is broadminded.

Mr. Thompson: I stand on a point of privilege. This has been quoted out of context. I was talking of the actual granting of citizenship—

Hon. Mr. Yaremko: Oh, the hon. member is not against The Department of Citizenship for the province of Ontario.

Mr. Thompson: I suggested to the hon. Minister, Mr. Chairman, that he should get busy—he quoted me as saying that: It is a great and wonderful thing for idle hands to get busy. I see many things they can do.

But when I spoke previously about the confusion between the federal and provincial area of citizenship, I was referring to the actual granting of citizenship which I still think should be—

Hon. Mr. Yaremko: I am glad the hon. member has clarified it for me, because for two years I have been under the misapprehension he was opposed to the division, but now I can—

An hon. member: The hon. Minister is under many misapprehensions.

Hon. Mr. Yaremko: I will just take a moment on immigration, just a moment. I have three clippings, one is of December 19, 1960:

MORE IMMIGRANTS OUR NEED, FROST

I will just read the heading of that clipping. I will read some other clippings:

IMMIGRANTS ROBBING US OF JOBS

Ottawa: H. W. Herridge, CCF Kootenay West, complained in the Commons yesterday that immigrants were taking Canadians' jobs.

Mr. D. C. MacDonald (York South): That is out of context, if anything ever was.

Hon. Mr. Yaremko: That is one. Now from the Toronto *Daily Star* of May 25, 1960:

LIBERAL CHARGE FAVOUR IMMIGRANTS OVER JOBLESS

A Liberal MP charged yesterday that the government is luring immigrants to Canada with jobs that could be filled by our own unemployed.

Mr. T. D. Thomas (Oshawa): What was his name?

Hon. Mr. Yaremko: Now those are—that was Mr. Alex Carron, of Hull.

I am just giving hon. members the attitudes of three people: the province of Ontario, through the then hon. Prime Minister (Mr. Frost); a CCF member, and a Liberal member.

Mr. J. J. Wintermeyer (Leader of the Opposition): What is the hon. Minister's view? Why are there not more immigrants right now?

Hon. Mr. Yaremko: I believe in more immigrants. I am delighted to see that the hon. leader of the Opposition (Mr. Wintermeyer) has finally at this stage of his life—

Mr. Wintermeyer: Mr. Chairman, on a point of privilege. I recall very vividly making a speech in this Legislature approximately a year ago.

An hon. member: Absolutely!

Hon. Mr. Yaremko: It took the hon. leader of the Opposition many years to get around to it, a great many years.

Mr. Wintermeyer: Oh, go on! The hon. Minister is the one who can do something about it.

Hon. Mr. Yaremko: I am glad I can give credit to the hon. member for Dovercourt (Mr. Thompson) for one thing—I will give him credit for that—he was able to persuade

a little change of heart in the people that sit beside him to call for action, action with regard to immigrants.

Mr. K. Bryden (Woodbine): Why does the hon. Minister not take action now to provide more jobs?

Interjections by hon. members.

Mr. Chairman: Order, order!

Hon. Mr. Yaremko: There was a Liberal government. Action? Action on immigrants? There was a Liberal government in power for 22 years and I stood in this House year in and year out and I badgered the Minister of Welfare—of course, I should not use the word “badgered” because he had the most sympathetic ear that I ever could get at—

Mr. MacDonald: But he had a tough Cabinet, like the hon. Minister has.

Hon. Mr. Yaremko: —to get Ottawa to change the residence rule for qualification for old age pensions, for example. For 20 years, and delegation after delegation, and members stood up in this House and said to Ottawa: give us some action, let us treat these immigrants fairly and squarely. Can hon. members imagine a man coming here at the age of 60 and waiting 20 years, to the age of 80, to get the pension—

Mr. R. M. Whicher (Bruce): Can the hon. Minister imagine anybody coming here?

Mr. R. C. Edwards (Wentworth): Would the hon. Minister permit a question? Did he not say earlier in the debate that he thought this matter of immigration should not be discussed?

Hon. Mr. Yaremko: I am answering a question. He wanted action and I am just telling him about the action.

Mr. Thompson: If I could ask a question, Mr. Chairman. If the hon. Minister wants to talk about immigration, the action that hon. members judge is in the terms of the number of people who come in. Hon. members know as well as I do that immigration under the Rt. hon. Mr. Diefenbaker and the Conservatives has been the smallest that we have had—

Hon. Mr. Yaremko: Under charges by members of the hon. member's party that immigrants were taking away jobs—

Mr. Thompson: I could refer to many quotes—

Hon. Mr. Yaremko: I want to answer questions! Regard for the welfare of the newcomer—that is what we are talking about.

The hon. member, I believe, has an honest and sincere desire for the welfare of the immigrant. But there was a change in government in Ottawa and I was very much interested in reading in the ethnic papers, Mr. Chairman—

Mr. Whicher: In what language?

Hon. Mr. Yaremko: In a dozen—in Italian, in Polish, in Ukrainian and in Slovak. I was reading ads—ads placed by Liberal candidates on the eve of the 1957 election. And after having heard the Minister of Welfare talk and myself talk and others talk against the residence requirements of 20 years, I was delighted to see in some of the ads by some of the Liberal candidates—mind you, in small print, the print was not very big—you had to look closely, that at that stage they advocated a residence reduction.

Mr. Thompson: I do not think the hon. Minister is quite clear as to what my question is. I never suggested to him that I wanted to know if he spends his time reading the ads in the ethnic papers. I did not want to embarrass him by letting him tell he was doing this.

Hon. Mr. Yaremko: I read everything.

Mr. Thompson: What I want to know is the reason for the hon. Minister's reading.

Hon. Mr. Yaremko: Mr. Chairman, finally there was a change in government and the residence rule was reduced by half, from 20 to 10 years. One of the greatest welfare steps taken in respect of newcomers was that reduction of residence brought in by that government.

The hon. member talked about welfare. Another great step, and it is too bad that he is not in this House, was taken by the hon. Minister of Public Welfare (Mr. Cecile) on behalf of the province of Ontario—

Mr. Thomas: Mr. Chairman, what about the estimates?

Hon. Mr. Yaremko: The hon. member brought this up.

Mr. Thompson: My question, sir, was how the hon. Minister—

Mr. Chairman: Order! The hon. Minister has the floor.

Mr. Bryden: On a point of order, Mr. Chairman. If the hon. Minister has the floor,

I suggest that he should stay in order. He is roaming all over the lot under the guise of answering questions that were never asked.

Hon. Mr. Yaremko: Roaming all over the lot! The hon. member had me involved in the affairs of all levels of government, all boards, all agencies—and I am answering the question.

Mr. MacDonald: No, the hon. Minister is not answering the question.

Mr. Thompson: On a point of information—

Hon. Mr. Yaremko: I am just about to give the hon. member the information.

Mr. Thompson: I am sorry, I have been waiting a long time to hear it and I think I clarified my point again. My questions were—I do not want to go through all of them—but in connection with welfare in the provincial government, I want to know what the hon. Minister is doing with respect to interpreting the services, not only through the foreign-language papers but through the seminars and also personnel in welfare offices.

I am not talking ten years back, sir, or about the things that are done in Ottawa. He said he did not want to talk about immigration, so I appreciated he would not want to, and I left that out.

Hon. Mr. Yaremko: The hon. member went to great lengths to talk about immigration. We will talk about this government and the province of Ontario and welfare. Early in 1959 the hon. Minister of Public Welfare (Mr. Cecile) came out—

Mr. Wintermeyer: Mr. Chairman, this is becoming ludicrous. A specific question has been asked and I suggest that all we request is a specific answer.

Hon. Mr. Yaremko: The hon. Minister of Public Welfare brought forth a programme that newcomer indigents would be treated exactly the same as anybody else in Ontario. The hon. member for Dovercourt (Mr. Thompson) was the only one in this city who scoffed at the programme at that time.

Mr. Thompson: Mr. Chairman, on a point of information, and on a point of order as well—

Mr. Bryden: The hon. member will get no information from him.

Mr. Thompson: I do not know if the hon. Minister, in reading the many languages, has misunderstood English now. I think I have

asked, as it will show, a number of questions. Now, sir, if the hon. Minister decides to—

Hon. Mr. Yaremko: If the hon. member will stop interrupting me, I will get around to it.

Mr. Thompson: If he finds it so embarrassing he cannot answer them, please tell us and I will not ask any more, but if he can answer them, then let him try it.

Hon. Mr. Yaremko: Mr. Chairman, it is not the questions that are embarrassing me, it is my answers that are embarrassing the hon. member.

Mr. Chairman, as to teaching French in classes, we have—

Interjections by hon. members.

Hon. Mr. Yaremko: I am treating the hon. member's question seriously; please treat my answer the same way.

There is one class, I believe, in Timmins, and we have had a request recently from Moose Factory. Our position is this: if any group of newcomers is within a community and indicates a desire for the learning of French, then we will provide the classes the same as we provide any. We will also provide the resource material and everything else; the facilities are available for the teaching of French the same as they are in English. If the interest and demand within the community is there we will supply them.

As a measure of the appreciation that The Department of Citizenship and Immigration has for our activities, the courts may, and do, accept our certificate as proof of sufficiency in English and citizenship; and I am delighted to say that our relationships with the court of citizenship here are excellent.

Mr. Thompson: May I ask, sir—and I appreciate the hon. Minister answering these questions—how many people got their citizenship graduating certificate from his classes last year?

Hon. Mr. Yaremko: I have not that figure here, but I will be delighted to get that for the hon. member.

I would say this in respect to the students who take our classes: we are interested in everybody who shows up in our classes, we will do everything possible to maintain his interest, but if for some other reason he feels that he should drop out we do not wield the big stick to force him to stay.

Mr. Wintermeyer: Does the hon. Minister encourage them to stay?

Hon. Mr. Yaremko: We do everything possible to get them to classes; we do everything possible to create classes for their needs; and we do everything possible to encourage them to stay. If circumstances—

Mr. Thompson: I want to know, sir, apart from your programme, what is the fall-out in these classes? I never suggested the hon. Minister used a big stick to force people. What is the fall-out in these classes?

Mr. A. F. Lawrence (St. George): There are those here, other than the hon. member opposite, who are interested in hearing the reply of the hon. Minister and I wonder if he would have the common courtesy and grace to let the hon. Minister finish a question.

Hon. Mr. Yaremko: The numbers getting certificates are, I believe, well over 2,000.

Interjections by hon. members.

Mr. Chairman: Order, order.

Hon. Mr. Yaremko: Mr. Chairman, if I am to answer all the questions of the hon. member, I must proceed.

Mr. Thompson: I am sorry, but I am simply trying to make—

Hon. Mr. Yaremko: We do not categorize how many stay one day, or 10 days, or two weeks, or six weeks, or eight weeks. We have not got that kind of computation.

Mr. Thompson: Would the hon. Minister mind me making—

Hon. Mr. Yaremko: And we are doing our—

Mr. Chairman: I must proceed with the estimates.

Mr. Thompson: My point, sir, is that it would be useful to know—

Hon. Mr. Yaremko: That is why we have taken the forward step of having research monies available, in order to be able to re-study all these needs. In respect of kitchen classes, we had about 100 participants in the kitchen classes last year. They were very expensive to operate because of the fact that there were only four or five individuals involved. It was done in conjunction with the social planning council, in an effort to get as much value for every educational dollar that we have spent. We have no classes this year.

Mr. Thompson: Is the hon. Minister going to continue with these classes?

Hon. Mr. Yaremko: We are going to go wherever we feel there is a need and will get a good return for our dollar. If a dollar can be spent somewhere else more beneficially, in an attempt at teaching, this is where the dollar will be spent.

Mr. Thompson: There are not many of those classes?

Hon. Mr. Yaremko: There are no classes at the present time.

Mr. Chairman, to indicate how far the hon. member roved, he attempted to—perhaps I am using too strong language—heap scorn or something upon this department, to put them in a derogatory light, in the fact that the TV classes were held at 12 noon, Sunday. I could tell him the times that I would choose, the premium times that could be available, but the time is designated by the Canadian Broadcasting Corporation which, I must admit, in this instance, and I indicated at the time, is already contributing well over \$200,000. They have been very generous indeed in this light.

Mr. Thompson: But the hon. Minister is not completely satisfied with the time; is that what he is inferring?

Hon. Mr. Yaremko: I beg your pardon?

Mr. Thompson: The hon. Minister would prefer another time if he could get it? He is not satisfied with this time?

Hon. Mr. Yaremko: Everybody knows about premium time.

Mr. Chairman, I think that I have completely answered the hon. member's questions.

Mr. Thompson: If the hon. Minister does not mind, I do not think he has. I have asked him, for example, about the safety regulations in the McAndrew report. I think it does affect the hon. Minister; he is looking after the interpreting services. He has held a seminar on minimum wages. I asked what came out of that seminar and what suggestions were made. Is he going to promote the cause of minimum wages? When he had the seminar did people urge it?

Hon. Mr. Yaremko: Mr. Chairman, our job is to co-operate with other departments. We do not run the affairs of other departments or other levels of government.

Mr. Thompson: Mr. Chairman, could I ask the hon. Minister what is the point of having the seminar on the problem of another department? Why does he call it if he is not going to do something about this, the result of his seminar?

Hon. Mr. Yaremko: The point of having seminars, and I quote from a letter of one of the reverend ministers who attended, and I quote as follows:

Your department is to be congratulated on initiating these seminars which have provided excellent guidance and vital information to the representatives of the various ethnic groups in our city.

That is the purpose of the seminar.

Mr. Thompson: I leave it at that, sir. I had hoped that from these seminars, as the hon. Minister said in his speech last year and as he said in his speech this year in his introductory remarks, he got a great number of suggestions to which he was giving consideration; and I had hoped the minimum wage was the one he would give great consideration to.

The other point is that, under retraining, I have asked the hon. Minister what the situation was under Schedule 5 for the retraining of people with vocational skills from another land. I think the hon. Minister knows to what I am referring—the effect of these classes and the fact that the decision has been that it will only be academic material that will be taught, that vocational skills will not be taught. Is the hon. Minister going to stay with that decision or is he hoping to change it?

Hon. Mr. Yaremko: Mr. Chairman, the estimates of The Department of the Provincial Secretary are up before this committee; I cannot and do not run other departments.

Mr. Thompson: Well, I would like to say that the hon. Minister is running classes for newcomers. He has spent some time telling us about how useful these classes are. My question is: does the hon. Minister think it would be more useful, in the contents of these classes, to include some vocational material, vocational skills material, and if so, what is he going to do about it?

Hon. Mr. Yaremko: Mr. Chairman, that comes within other jurisdiction—our job is to provide classes for the teaching of English and citizenship, and I am very proud of the job we are doing in that regard.

Mr. Thompson: So then, Mr. Chairman, as I see it, the hon. Minister feels that he does

not have a responsibility for any further content of these classes? That they are simply for the teaching of English and French? I would hope that he would feel a larger responsibility than that.

And the other question I asked was in connection with professional training of immigrants. I was thinking of immigrants with a professional background. He said last year he was deeply concerned about this and was going to do something about it. But I ask him what he has done about it, to integrate immigrants who have had a professional training in Europe and are now here? I repeat, Mr. Chairman, through you, and I ask the question: the hon. Minister last year said he was deeply concerned about this, about the immigrants who had special training and were now in Canada, and he was going to do something in connection with getting them integrated with a recognition of their previous training. What has the hon. Minister done?

Hon. Mr. Yaremko: I do not recall the reference the hon. member is making, Mr. Chairman. I have always taken a personal interest in the situation in which these men find themselves. They are confronted with the same handicaps as everybody else with language; when they overcome that, having passed the requisite examinations set by other authorities, they are accepted. I am delighted to say, within the government services there are many men who fall within this category.

Mr. Thompson: Well, I was looking for the *Hansard* record, and if I could make this suggestion to the hon. Minister—I think it would be a very useful thing for his department to meet with the professional associations and, perhaps at some of the seminars, to have representatives of some of the professional associations meet with the representatives of ethnic organizations to discuss the barriers that are raised, perhaps of necessity, to hold high standards within the associations. But there are these barriers, which therefore means that immigrants with professional training get excluded.

May I thank the hon. Minister for his attention.

Mr. MacDonald: Mr. Chairman, there are a few general remarks I would like to make before we get into the details of the estimates.

The first one, Mr. Chairman, is that one would get the impression, from the hon. Minister's (Mr. Yaremko's) remarks, that the department which he now heads does nothing

but citizenship work. He has made no reference to anything else that is going on in the department, and yet in discussing the main office he quoted figures for increase in salary, increase in travelling expenses; all these apparently are going to be with reference to the citizenship work.

I would think, just as a matter of presenting these estimates to the House so that we would know where this citizenship activity is in terms of the rest of the department, that next year there might be some breakdown.

I assume this department did something before the hon. Minister arrived with his ideas of citizenship, and I assume those former activities are still going on, but they are completely lost if one interprets the 100 per cent attention to citizenship. I just draw attention, Mr. Chairman, that there is no specific reference to citizenship work in any of the estimates, including the main office estimate.

I think we, as hon. members of the House, are entitled to some sort of a breakdown so that we get some idea of what of that main office expenditure is going into the citizenship branch and its work, and what is there for the continuing work of the department before the hon. Minister arrived—and after he leaves.

The other comments I want to make are going to be of a general nature too, Mr. Chairman, because the hon. member for Dovercourt (Mr. Thompson) has covered pretty thoroughly a number of issues that I think quite appropriately should be raised. I want to attempt to draw what I think are some general principles with regard to the work of this department, and they perhaps are clearer in light of the detail the hon. member for Dovercourt has presented to the House.

I think there are two functions that the citizenship branch has to perform. The first one is that it is engaged in an educational activity to get information out to new Canadians, with regard to what their rights and their privileges are—with regard to what protection they can get from certain legislation. In other words, it is a glorified public relations function with specific references to the needs of new Canadians, because of their language difficulties; their unfamiliarity with our traditions; our laws; and our practices.

It is only dealing in a special way with the new Canadians what I would suspect The Department of Public Welfare, The Department of Labour and many other departments are doing with regard to communicating to the citizens of Ontario what the government is doing, and what rights and privileges they

have in light of the legislation that is on the books.

Since this is an educational activity, Mr. Chairman, I want to get to a point that the hon. member for Dovercourt finally concluded his remarks on; that is that it is very difficult to put your finger on it, but there is a subtle borderline beyond which this educational activity becomes, beyond any shadow of doubt, very closely integrated with the activity of the Tory party.

Mr. Wintermeyer: Mm-hmm.

Mr. MacDonald: And as a matter of fact, the hon. leader of the Opposition (Mr. Wintermeyer) may “Mm-hmm” in approval; I do not know how that will be put down in *Hansard*, that “Mm-hmm”. However—

Hon. R. W. Macaulay (Minister of Energy Resources): They have done it before, and they approve of it.

Mr. MacDonald: He may comment an approval on this, but I am interested in this pot-calling-the-kettle-black procedure that developed here between the hon. member for Dovercourt and the hon. Minister of Citizenship (Mr. Yaremko). If there are two people who have developed into professionals in cultivating the new Canadians, and integrating them into their own political organizations, whatever be the position they held at the time, it is these two people.

The hon. member for Dovercourt—I would concede him this—the hon. member for Dovercourt is better equipped than anybody else in this House to be able to sense that subtle borderline between the legitimate activity of a government and its integration with a political machine, because he was engaged in it for a long time up at Ottawa. And he started out, you see—perhaps I can do a bit of interpretation—he started out being critical of the citizenship branch two or three years ago because he saw that the hon. Minister was smartening up, he was going to do what the Liberals had done, he was going to use the machinery of government to integrate the new Canadians within the Tory machine.

So at first he started out being critical of the citizenship branch. In one aspect, the work merits criticism, because I do not think it is a very noble proposition to use the machinery of government for political exploitation—that is what the Liberals did for years and that is what this hon. Minister is now doing at the present time.

Hon. Mr. Yaremko: Vote to reduce the estimate.

Mr. MacDonald: Now, having said that, Mr. Chairman, I am willing to add that I think there is a job to be done in terms of providing the education and the services of these new Canadians, and I think that it should be done even if it gets subtly mixed up with political exploitation which both the Liberals and the Tories have been engaged in in the past. I am not heaping derogation on the work of the department, because I think it should be done with regard to these new Canadians.

Now, the second aspect of this branch's work, Mr. Chairman, is to act—if I may describe it in this way—as a catalyst with other departments of the government—

Hon. G. C. Wardrobe (Minister of Mines): Is that a capitalist?

Mr. MacDonald: Catalyst?

An hon. member: What is that?

Mr. MacDonald: —to act as a catalyst with the rest of the government in terms of what the rest of the government should be doing to meet the particular problems that the citizenship branch finds in its activities.

The hon. member for Dovercourt has spelled out many of these problems, and he is on very solid ground in spelling them out. It is little short of fatuous, that this government should be holding classes on labour and, as the hon. Minister said, talking about minimum wages, when this government is drifting along without a minimum wage Act. This is not only fatuous, it is ludicrous, you can heap all the strongest terms you want to describe it.

Mr. V. M. Singer (York Centre): The hon. Minister without Portfolio (Mr. Grossman) would approve in principle but vote against it.

Mr. MacDonald: Exactly.

However, Mr. Chairman, I want to illustrate the kind of thing that makes me, on occasion, just a bit exasperated with the activity of this department which deals with the "frosting" on the cake without getting down to the real problem and solving it. If they solved it then perhaps they would not need so much activity on the part of this particular branch.

Let me illustrate this with one instance. I remember two or three years ago I was sitting on a select committee of this Legislature looking into The Labour Relations Act. We had before this committee some pretty serious charges with regard to the activity of unions. The result was, quite rightly so—and with my approval, certainly with my

endorsement of it—the committee ruled to establish a Royal commission to look into the activity of these unions.

Mr. Justice Roach was established and he looked into the operation of the teamsters in Connie Smythe's gravel pits north of here. A few months went by and as a result of continued misrepresentation of what trade unions were doing, the Ontario Federation of Labour came back with a supplementary brief; they submitted a supplementary brief to the committee. In this brief they pointed out this kind of thing, I have quoted this in the House before, but I think it bears repeating because there have been some subsequent developments that make it significant. In the brief they said this:

Bruno Zannini, who founded a union for new Canadian workers, conducted a survey of bricklayers soon after his local 35 was chartered. The survey revealed that 85 per cent of the new Canadian bricklayers he organized never received holiday pay, compulsory under Ontario law. They had never seen a holiday pay book or stamp. Fifty per cent had never heard of unemployment insurance and their employers had never deducted the workers' share or paid their own.

Most of these cases revealed outright "chiselling" by employers. Three out of four workers worked 12 hours a day, including Sundays, a practice banned by law. Workmen's compensation, especially needed in the construction field, was a joke. Employers who were not deducting income tax payments could not be bothered with making payments to the compensation board.

Although wages were pitifully low, when the worker could collect them, the men were cheated on hours worked. If they worked 72 hours a week they were paid for 50 and if they rebelled a threat of deportation hung over their heads. At least 20 per cent of the firms employing new Canadian bricklayers made income tax deductions for the total hours a man worked although they deprived him of at least one-tenth of his rightful earnings. According to their books they paid a man for his work but on the job the worker took what he could get.

Well, Mr. Chairman, it still seems to me—that was in May of 1958—

Mr. A. F. Lawrence (St. George): Who wrote it?

Mr. MacDonald: Never mind who wrote it—it was presented by the OFL. It still

seems to me, Mr. Chariman, that this is an absolutely unbelievable thing; that a responsible organization like the Ontario Federation of Labour could come into a select committee of this Legislature and spell out the most shocking list of criminal and civil violations of the laws of this province and of this land—and what happened, Mr. Chairman?

Now we are talking about the problems of the new Canadians. What happened? I suggested to this committee, in view of the fact that we had representations just shortly with the illegal activities of unions—and this committee saw fit to establish a Royal commission to do something about it—we had absolutely no alternative but to submit this to The Department of the Attorney-General, to establish a Royal commission and find out whether the law was being violated as charged here.

I submit to you that my case was beyond any questioning; that with that listing of illegal acts, we were shirking our responsibilities and our duties in not seeing why this illegality was permitted to continue. Well, do you know what happened, Mr. Chairman? I could not even get a Liberal member of the committee to second my motion. And what was the result? The result was that this kind of condition went on like a festering sore until last summer we had an explosion in this city. Now, three years later, this government got around to establishing a Royal commission under Mr. Goldenberg to solve this problem.

This is just another instance of how, when you have the real guts of the problem—and I use the blunt term, Mr. Chairman—the real guts of the problem in terms of exploitation, the Liberals and the Tories on occasion will not come to grips with it. This is the reason I get just a little bit cynical about the hon. Minister of Citizenship who gets up with the “frosting” and all of the propaganda to try to integrate these people into his machine while giving them some education.

I repeat, I am not objecting to the education, but I get a little bit tired of them when they will not act decisively to help these people who are in the position of being victims of those who want to exploit them. This government is an accomplice in the exploitation, because of its inaction; the Liberal Party now gets up with bleeding heart when at least two of its hon. members were accomplices because I could not get a seconder to my motion.

Hon. Mr. Grossman: They believe in the principle but they will not vote for it.

An hon. member: We do not believe in the motion.

Mr. MacDonald: Exactly. The hon. member was not there. His heart is bleeding but it was the rest of the callous reactionaries on the benches who would not do anything at the time. That was the problem.

Mr. Chairman, I started out by saying I thought there was an education and propaganda job which this government should be doing with the new Canadians to help them to know what their rights are, and I wish they would do it without spending so much of their time integrating the new Canadians into their machine. They would be doing a public service then and not a political job.

But there is the other job and I recognize the limitations that the hon. Minister has. It is his task, also, to get the other departments in the government to do something about some of the basic problems. And this is where the hon. member for Dovercourt is correct, there is no excuse for the hon. Minister to sit in the Cabinet and to share the responsibility for the kind of conditions in the McAndrew report and yet have a government which is going slow, at best, with the solution of those problems.

He cannot slough it off. Like Nathan Phillips, who is the mayor of all the people the hon. Minister is the Minister of Citizenship for all the people and therefore he must assume the responsibility, particularly when this government will not come to grips with it.

Mr. R. C. Edwards: Mr. Chairman, I speak perhaps in a little different vein than has been done heretofore.

Hon. Mr. Wardrope: Is the hon. member going to be complimentary?

Mr. R. C. Edwards: No, I do not intend to be complimentary. For the sake of the hon. Minister of Mines (Mr. Wardrope) I should like to be complimentary, but the matter I wish to discuss is not such that I can be complimentary about it.

I was interested to hear the answer of the hon. Minister of Citizenship (Mr. Yaremko) when he was asked why he had not translated some of these matters which came under the scrutiny of this House as a result of the McAndrew report. I refer to the only publication which I have yet been able to find which in any way designates the various duties of the departments of this government, and I will read in the Ontario Economic and Social Aspects Survey which was printed in the year

1961, the section which refers to the citizenship branch.

That section states that in 1959 a citizenship branch was added to the hon. Provincial Secretary's department "to co-ordinate activities of the various government departments in respect to new Canadians and act as a counselling and information centre".

Now surely if they are going to act in this capacity one of those responsibilities would be to print some of the instructions from these other departments in various languages, if they are really going to co-ordinate the various departments as they apply to the ethnic people. I do not think he is being consistent when he says this does not come within his jurisdiction.

I would like to speak about the matter of the overall estimates of the department. This is the first time in this session that we have been able to consider any of the estimates in the light of the overall budget, and I am tempted to think that there really is a lack of leadership with respect to the job that is to be done. I think that from year to year the departments of the various hon. Ministers opposite increase by a proportionate amount, without any respect to the additional services to be supplied, or in any way related to the interest of the taxpayers. I am tempted to think insofar as these estimates are concerned, that they bear a direct relationship to a law which has been commonly known as Parkinson's law, which he called the law of the Rising Pyramids, and for the benefit of the hon. Minister's office I should like to read just one short paragraph from that publication, because I think it points out the situation which exists in this government.

Last year we raised taxes in this province by 20 per cent and over the past two years the 20 per cent has almost entirely been taken up in additional budgets by the government which really have not provided very much additional in the way of additional services. If I may be accused of being pro-taxpayer for a moment I would like to suggest that perhaps the time has come for the government to take a sharp look at these expenditures before they bring them to this House and find out whether they can be pared down a little bit.

I had several questions which I would like to ask the hon. Minister. I note that there is one item under statutory expenses, where we are asked to approve four Ministers without Portfolio. I believe the salary to those people is \$2,500, per year. Now, they are nice people, I like the Ministers without Portfolio

but I do not think they are doing very much. I do not think they need portfolios and I think if we are going to increase taxes in this province by 20 per cent we had better find out whether or not these expenses are doing for us what we intended they should do. If I might revert back to Parkinson's law, he said:

Politicians have assumed that a rising total in the number of civil servants must reflect a growing volume of work to be done.

Hon. Mr. Wardrope: Is not that true? Does the hon. member not believe it?

Mr. R. C. Edwards: Yes, I am afraid the hon. Minister believes it. I quote further:

Cynics in questioning this belief have imagined that the multiplication of officials must have left some of them idle or all of them able to work for shorter hours but this is a matter in which faith and doubt seem equally misplaced.

I suggest that these estimates rise in direct proportion to the overall budget each year; I suggest that each department comes forward, building their empires. As a matter of fact we have four Ministers without Portfolio in training so that they can build their own empires and spend more of the taxpayers' money. The Ontario Municipal Board, before they approve the expenditures—any expenditure of a municipality which is the creature of this Legislature—look very carefully into the need for those expenditures.

I suggest that no thought has been given in these estimates as to whether they could have been pared.

I note, for instance, that last year we appropriated some \$30,000 under the estimate to provide what we call the government hospitality fund. I note on checking the public accounts for the year ending March 31, 1961, we expended some \$43,000. Now, these are all good things, we want to encourage these people to hold meetings in our province; but surely when it is necessary to burden the taxpayer with an additional 20 per cent in his overall taxes we should give some thought to paring these estimates where they can be pared.

I see no place in these estimates where any concentrated effort has been made to cut expenditures in any direction. It has been a matter of milking the public of these funds so we can build these empires and build our own ego in so doing.

Hon. Mr. Wardrope: Is the province growing any?

An hon. member: The Cabinet's growing; it is growing in age.

Mr. R. C. Edwards: I do not know that the province is growing in proportion to the Cabinet, I would answer the hon. Minister of Mines.

I would like to question three or four items in the last public accounts which have been given to us. I should like to know why we gave a grant of \$500, for instance, to the Canadian Automobile Association or \$931 to the Hotel Association of Canada, or \$1,800 to the Congress of Anaesthesiologists. We could go on and on. There are several here and I should like to know why these grants were given and what was done with the money. Perhaps the hon. Minister would answer that question.

Hon. Mr. Yaremko: I am sorry, I did not hear that last question.

Mr. R. C. Edwards: Well, Mr. Chairman, I will ask the question again, sir, and I would would refer to the statement that the hon. Minister of Mines just made.

I would remind him that it is the duty of the Opposition to ask questions in this House so that they can be made public. To suggest that we could get this information privately is only an attempt to cover up the government's sins. I would tell the hon. Minister further that as long as I sit as a member of this House representing the people of Wentworth, I am going to ask the questions publicly. I have no intention of asking them privately.

Hon. Mr. Wardrope: I will be glad if you will go to my department and get information there that is factual, rather than always bringing these matters up in the Legislature.

An hon. member: The hon. Minister does not want to answer them publicly.

Hon. Mr. Wardrope: That is not the point. The hon. member does not want it that way. He wants to make politics out of it, that is all. He does not want the proper information; he can get it at any time from my department, or any other, if he cares to ask.

Mr. Wintermeyer: May I hear the question, please?

Hon. Mr. Yaremko: May I hear the question, please?

Mr. R. C. Edwards: Mr. Chairman, the question was simply this. Since there was an increase of some \$13,000 in the actual ex-

penditures over the estimates with respect to the matter of government hospitality fund, would the hon. Minister tell me why these grants were given—to the Canadian Automobile Association \$500, \$4,500 to the International Union of Applied Physics, \$931 to the Hotel Association of Canada? Why to these three in particular?

Why do we not try to keep these grants within reasonable bounds? Is there any sense, rhyme or reason in the way these grants are handed out, and why did not other associations get the same amount? I would like to know the policy we follow with respect to these expenditures. I have another question before I yield the floor, Mr. Chairman.

Hon. Mr. Yaremko: Well, Mr. Chairman, I say in all honesty, as a taxpayer of this province, that every dollar should be watched and watched carefully; and it is watched carefully. I cannot conceive that the people of the province of Ontario would regard a hospitality fund in the amount of \$40,000 as being excessive for a jurisdiction the size of the province of Ontario.

Mr. Whicher: That is just for your department.

Hon. Mr. Yaremko: This is done on behalf of all departments, and under a—generally—basic rule, for those things which are of a national import.

I want to bring this to the attention of the hon. member very briefly. This year one of the most successful gatherings that we had in this city of Toronto was the convention of the Kiwanians; the Kiwanis International held their meeting here in the city of Toronto. I think the whole aspect of the government hospitality fund is reflected in certain words which were used by the Toronto *Telegram* in reference to the Kiwanis International convention, when they said: "Small Outlay, Big Reward."

A return of \$3 million for an investment of \$12,000 is spectacular business. It cost the Metropolitan Toronto Convention and Visitor Association \$12,000 to bring the Kiwanians to Toronto and it is estimated that the Kiwanians, in the course of their conference, left behind in this province \$3 million. I think that is a pretty good reward. The province's contribution was \$2,000.

I cannot think of a better use for the hospitality fund than extending \$2,000 worth of hospitality in conjunction with someone else in arranging for the vice-regal party which was held on the campus of the University of Toronto for a group that brings

in \$3 million. Now, that is one of the criteria, to encourage groups from outside to—

Mr. Bryden: Is the hon. Minister suggesting they would not have come here without the \$2,000?

Hon. Mr. Yaremko: I can suggest this: that in view of the participation of this government in the idea that was conceived of having a vice-regal party on the campus, that is one of the factors why the Kiwanians are considering returning to the city in 1967 for another \$3 million. That is one point.

There are other items. There is an exchange visit from the University of Southern Carolina; some 25 students came up here on an exchange visit to Toronto. I cannot think of dollars that are better spent than in the promotion of that type of visit.

We had a visit here from one of the most recent independent republics of the Commonwealth, Western Nigeria. Hospitality was extended to them out of the hospitality fund, and I quote from the External Aid Office of Ottawa, with whom we co-operated:

The Nigerians were unstinted in their praise of the programme and hospitality which had been arranged for them during their Toronto visit, and I assure you that the friendly generosity of Canadians like yourself and your colleagues makes a favourable impression on these official visitors and will greatly assist in improving Canada's relations with the countries and governments they represent.

That is another criterion. I could go on—

Mr. R. W. Gibson (Kenora): Mr. Chairman, would the hon. Minister permit a question? I am a new member and I would like to know of what this hospitality consists.

Mr. R. C. Edwards: Mr. Chairman, with respect to the hon. Minister, he is not answering my question.

Hon. Mr. Yaremko: I have a very interesting letter here which I will proceed to read. It is from Il Sottosegretario di Stato per gli Affari Esteri, Roma, and states:

Caro Ministro,

Rientrato a Roma, desidero esprimere le nuovamente il mio grato apprezzamento per quanto Ella, a nome del Governo dell'Ontario, ha voluto fare in occasione della mia visita a Toronto.

Mr. R. C. Edwards: Mr. Chairman, on a point of order, sir—

Hon. Mr. Yaremko: I could go on. Mr. Chairman, I could go on for the benefit of those in the Opposition who do not understand—

Mr. R. C. Edwards: Mr. Chairman, on a point of order, sir.

I asked the hon. Minister a specific question; I referred to three particular organizations. I did not refer to the organization the hon. Minister is talking about at all. I asked him on what basis this money was advanced and he went all around the subject instead of answering the question. I have all the time the hon. Minister has, but I suggest to you, sir, that he is evading the question.

Hon. Mr. Yaremko: Mr. Chairman, it would be impossible for me to have all the files relative to this correspondence. I am giving him some of the criteria by which the government hospitality fund is spent and I have some of the examples before me. The letter I was reading, for the benefit of those who do not understand Italian, was from the Under-Secretary of State for External Affairs. He states as follows:

Dear Minister:

I have now returned to Rome and again I wish to express my grateful appreciation for what you, in the name of the Ontario government, did on the occasion of my visit to Toronto.

I have all kinds of correspondence along that line.

Mr. R. C. Edwards: Mr. Chairman, I would like to pursue this matter if I may. I am sure it would be quite easy to get up and read letters from anybody to whom we give hand-outs. If he would give me one, I would be pleased to send him a letter too.

Hon. Mr. Grossman: Oh, now, that is not a hand-out.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. Singer: Why do you not tap your gavel there, or do you only tap it at this side?

Mr. R. C. Edwards: Mr. Chairman, with respect to the hon. Ministers who seem to insist on interjecting, this is my opinion, and certainly I am entitled to that. I wonder if the hon. Minister could advise me on what basis grants were given to the Canadian Automobile Association, the International Union of Applied Physics and to the Hotel Association of Canada. Does he have any

information here with respect to these expenditures which appear in the public accounts?

Hon. Mr. Yaremko: I indicated at the outset of my answer to the hon. member that these are gatherings which are national in character; the province of Ontario was the host province in this instance, and it was felt proper that hospitality should be extended in this regard.

Mr. R. C. Edwards: Then might I ask the hon. Minister if this hospitality is extended to every association of national character which holds a meeting in the province of Ontario?

Hon. Mr. Yaremko: All I know is that I have not, I believe, refused any reasonable request in the last couple of years.

Mr. Bryden: What does he consider a reasonable request?

Mr. R. C. Edwards: I thank the hon. Minister for his answer and I—

Hon. B. L. Cathcart (Minister of Travel and Publicity): Mr. Chairman, for the benefit of the hon. Minister, he may recall—I recall one anyway that I brought to his attention a year ago and the hon. member for Stormont (Mr. Manley) will support me. There was hospitality extended on your behalf down in the city of Cornwall.

Mr. Singer: For what association?

Hon. Mr. Cathcart: I cannot recall.

Mr. Singer: Well, if the hon. Minister is going to speak about these things he should recall it.

An hon. member: Why do you not stand up and support the hon. Minister?

Mr. P. Manley (Stormont): Why should I be answering the hon. Minister's question?

Hon. Mr. Cathcart: Mr. Chairman, I just wanted to point out that hospitality is extended beyond this particular area.

Mr. R. C. Edwards: Mr. Chairman, I wonder if I might pursue this again. I was not quite satisfied when the hon. Minister answered the previous question that I asked him. Do I understand that this hospitality fund will make grants to any organization, national in character, which holds its annual convention or meetings in the province of Ontario? Now, in answering my question,

he said that he had not turned down any reasonable request. With due respect to the hon. Minister I am sure that in his opinion he did not turn down any request which in his opinion was reasonable; but his opinion and mine might possibly vary.

Hon. Mr. Wardrope: But he is the Minister; that is the difference.

Mr. Singer: Oh, the big wind from the north again.

Mr. R. C. Edwards: The reason I ask the question, Mr. Chairman, is that I am endeavouring to find out the policy under which these grants are paid. If they are not paid to all organizations national in character, as was suggested a few moments ago, then the next question I would ask is: on what basis is it decided who shall receive a grant and who shall not receive a grant?

Hon. Mr. Yaremko: I have spent about 5 minutes explaining the various criteria by which the consideration of these grants are made, by giving examples of the recipients. Some of them are national, there are some that are international, there are some that have to do with government bodies, there are some that have to do with student bodies, there are various criteria. The Minister makes the decision.

Mr. R. C. Edwards: Well, Mr. Chairman, then may I ask the hon. Minister this question? We have before us the estimate of some \$40,000 for this fund in the current year. Is this a guess in the dark or is this a predetermined figure which is based on requests which we already have?

Hon. Mr. Yaremko: Well, as a matter of fact, last year in the estimates there was \$30,000 and our expenditures will exceed that; and there is the necessity for a treasury board order. We anticipate, on the basis of past experience, and in view of the fact that the Commonwealth Parliamentary Association conference will be held in the province of Ontario, that there will be additional sums required for that purpose.

Mr. R. C. Edwards: Mr. Chairman, as a result of the answers which I have received from the hon. Minister I reiterate the statement that I made earlier—that these estimates seem to me to be vague, not on an actual budget estimate on what we—

Hon. Mr. Yaremko: Mr. Chairman, I do not know and cannot tell who is going to approach me for a grant or assistance of

hospitality 9 months from now, or 10 months from now, or 11 months from now. We do not line everybody up and say: well, we are going to be considering the following year. This is an estimate, as are all figures; they are the estimates based on past experience, the advice of our accountant, and the anticipation of what type of gatherings will be held within the province within the next year.

Mr. R. C. Edwards: Well, Mr. Chairman, I thank the hon. Minister for his statement and I think it amplifies the statement that I am making—that this is based principally on a guess; that they are not sure to whom they are going to pay it. I am a little bit concerned about the comment which has been made with respect to what is reasonable and what is not, because I feel that this should be based on some kind of a predetermined line of reasoning.

I was quite interested to hear the hon. Minister state, two or three times, about organizations which we brought to our city. Now I happen to come from a city which is a little bit removed from here and I am wondering, and I think it is a fair question to ask the hon. Minister, on what basis are these grants paid? Solely at the discretion of the hon. Minister without any policy consideration? On what basis does he decide what is reasonable and what is not reasonable?

For instance, if an organization were going to meet in some city removed from Toronto, would it be solely at the discretion of the hon. Minister as to whether or not these people would receive any assistance? I think it is a reasonable question.

Hon. Mr. Yaremko: One of the responsibilities assigned by this Legislature to the Provincial Secretary is the operation of the hospitality fund. There is an item in the estimates, as there is for every other item of responsibility, in this case \$40,000. The expenditures are published in the accounts every year—the hon. member has it before him—these are not confined to one locality.

The hon. Minister of Travel and Publicity (Mr. Cathcart) reminds me of that in the riding of the hon. member for Stormont (Mr. Manley), up at the Lakehead, and various parts of the province; there is no restriction on area or anything. If it is a reasonable request in the light of what the province of Ontario should do in hospitality, the Minister so acts.

Vote 1601 agreed to.

Hon. Mr. Robarts moves that the committee rise and report progress, and asks for leave to sit again.

Motion agreed to.

The House resumed: Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister) moves that when this House adjourns the present sitting thereof it do stand adjourned until 2 p.m. on Monday next and that Rule No. 2 be suspended so far as it applies to this motion.

Mr. Speaker: Before putting the motion I would like to mention that in the House this morning, and since the House opened, we now have some new visitors in the west gallery, from Malden Public School; and I would point out that the Malden Public School is situated in Essex South.

Motion agreed to.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I would like to ask the hon. Prime Minister (Mr. Robarts) whether the 2 o'clock commencement will be the order of the day from here on. I can understand that on specific occasions there is need to do exactly that, but my personal experience—and other people may want to voice their opinion—was that last year the session from two to six did become very onerous and I wonder in my own mind the worthwhileness of regularly sitting for four hours at one time.

Hon. J. P. Robarts (Prime Minister): Well, Mr. Speaker, it is simply a question of doing the business of the House in the most efficient manner possible, and I could not undertake that we will not meet at two o'clock on occasion. As a matter of fact, I was considering sitting at two o'clock every afternoon but that may not be necessary until a few weeks have passed and the work load builds up. But we have a good deal of legislation ahead of us and it may be necessary for us to sit at two o'clock, but I will bear in mind the remarks the hon. leader of the Opposition has made.

On Monday we will go on with the estimates of The Department of Agriculture, and there will be a night session on Monday, a night session on Tuesday, and probably a night session on Thursday.

Hon. Mr. Robarts moves the adjournment of the House.

Mr. Wintermeyer: Mr. Speaker, I think this is an appropriate occasion to ask of the hon. Prime Minister that he outline for us the schedule for next week. Now, I understand, and it is understandable, that on one or two occasions, particularly shortly after the budget, there is certainly a degree of hurry with the presentation of particular estimates. But you will understand that the opportunity now to prepare for Agriculture is very limited. I certainly would ask the hon. Prime Minister to detail for us the various estimates that will be called during the ensuing week.

Hon. Mr. Robarts: Well, I would be very happy to do that. I do not want to be held too tightly because of circumstances involving the business of the House—it requires a certain amount of flexibility. So, in detailing what I have in mind, I do not want to put myself in the position where I cannot alter it if necessary. And on that basis, next week it is my intention to proceed with the estimates of The Department of Agriculture on Monday; on Tuesday the Opposition's financial critic will speak, and the hon. member from the NDP party will speak in the budget debate. So Tuesday will be pretty well given over to the budget debate and the ordinary business of the House, that is the introduction of legislation and matters on the order paper.

On Wednesday we will have a committee day and the House will not sit; and on Thursday, if my present plans materialize, we will have the estimates of The Department of Transport. Then, of course, we have

next Friday with nothing scheduled as yet. The completion of the estimates of the hon. Provincial Secretary might be called at any time, to fit into the time that is available, because naturally I do not know how long these various matters I have mentioned are going to take.

I will then undertake to detail for the House, some time next week, what estimates we will consider in the following week, and then the hon. leader of the Opposition will have an opportunity to prepare for them.

Mr. T. D. Thomas (Oshawa): Well, Mr. Speaker, earlier in the session the hon. Prime Minister stated that he would try to have night sessions on Tuesday and Thursday evenings. Surely three nights next week is rather a heavy load for all hon. members. Why the sudden change?

Hon. Mr. Robarts: I do not know how we have come to debate this but, in fact, this will be the first Monday night we have sat. It will be the first night session other than a Tuesday or a Thursday and it will be the first night session since we have resumed after the Christmas recess, so I personally do not feel that the burden of work has been just too staggeringly heavy so far in 1962. I will attempt not to call more than two night sessions a week but, if circumstances dictate, in order to complete the business of the province of Ontario I will have to do so.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1:10 of the clock, p.m.



ONTARIO

Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, March 5, 1962

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 5, 1962

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery, St. Vincent de Paul Separate School, Toronto, and Charles E. Webster Public School, Toronto; and in the west gallery, Dewson Street Public School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. W. G. Noden (Rainy River) from the standing committee on standing orders presented the committee's third report, which was read as follows and adopted:

Your committee has carefully examined the following petitions and finds the notices, as published in each case, sufficient:

Of the Township of Nepean praying that an Act may pass relating to imposition of sewage and water rates.

Of Christ Church, Anglican Church of Canada, Amherstburg, praying that an Act may pass varying the terms of a trust created by the will of the late Loftus Cuddy.

Of the United Church of Canada praying that an Act may pass authorizing the corporation and emanations thereof to invest in such securities as are authorized for Canadian insurance companies.

Of the Town of Rainy River praying that an Act may pass exempting the Baudette and Rainy River municipal bridge from all municipal taxation.

Of Laurentian University of Sudbury praying that an Act may pass enlarging the senate thereof; and for related purposes.

Of the City of Hamilton praying that an Act may pass vesting in the corporation all assets, etc., of the board of park management of the said city; and for related purposes.

Of Riverview Health Association praying that an Act may pass providing for the distribution of its assets in the event of dissolution; and for related purposes.

Of the board of education for the City of Windsor and the Windsor Suburban District High School Board validating an agreement whereby the suburban district board will erect and pay for additions to a secondary school in the City of Windsor and be guaranteed certain accommodation in such school.

Mr. Speaker: Motions.

Introduction of bills.

UNITED CHURCH OF CANADA

Mr. J. R. Simonett (Frontenac-Addington) moves first reading of bill intituled, An Act respecting The United Church of Canada.

Motion agreed to; first reading of the bill.

TOWNSHIP OF NEPEAN

Mr. W. E. Johnston (Carleton) moves first reading of bill intituled, An Act respecting The Township of Nepean.

Motion agreed to; first reading of the bill.

LAURENTIAN UNIVERSITY OF SUDBURY

Mr. A. H. Cowling (High Park), in the absence of **Mr. R. Belisle**, moves first reading of bill intituled, An Act respecting Laurentian University of Sudbury.

Motion agreed to; first reading of the bill.

CHRIST CHURCH, AMHERSTBURG

Mr. G. W. Parry (Kent West) moves first reading of bill intituled, An Act respecting Christ Church, Amherstburg.

Motion agreed to; first reading of the bill.

BAUDETTE-RAINY RIVER MUNICIPAL BRIDGE

Mr. W. G. Noden (Rainy River) moves first reading of bill intituled, An Act respecting The Baudette and Rainy River Municipal Bridge.

Motion agreed to; first reading of the bill.

RIVERVIEW HEALTH ASSOCIATION

Mr. J. J. Wintermeyer (Leader of the Opposition), in the absence of Mr. A. J. Reaume, moves first reading of bill intituled, An Act respecting Riverview Health Association.

Motion agreed to; first reading of the bill.

WINDSOR BOARDS

Mr. Wintermeyer, in the absence of Mr. Reaume, moves first reading of bill intituled, An Act respecting The Windsor Board of Education and the Windsor Suburban District High School Board.

Motion agreed to; first reading of the bill.

CITY OF HAMILTON

Mr. R. C. Edwards (Wentworth) moves first reading of bill intituled, An Act respecting The City of Hamilton.

Motion agreed to; first reading of the bill.

Mr. R. W. Gibson (Kenora): Mr. Speaker, before the orders of the day, I have two questions to direct to the hon. Minister of Highways (Mr. Goodfellow), due notice of which has been given to him. The questions are:

When will the contract for the proposed Werner-Gordon Lake access road be let and when will work begin?

Secondly, what is the completion date of this project?

Hon. W. A. Goodfellow (Minister of Highways): Mr. Speaker, I acknowledge the questions sent to me by the hon. member for Kenora (Mr. Gibson) and I might say that the Werner Lake access road is receiving every consideration.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

The University of Toronto president's report for the year ending June 30, 1961; the report of the board of governors of the Uni-

versity of Toronto for the year ending June 30, 1961; the annual report of the Ontario College of Art for the fiscal year ended May 31, 1961; the report of the board of governors of the Lakehead College of Arts, Science and Technology for the period June 1, 1960 to May 31, 1961; the annual report of the Teachers' Superannuation Commission for the year ending October 31, 1961.

Mr. Speaker: Orders of the day.

House moves into committee of supply; Mr. K. Brown in the Chair.

ESTIMATES, DEPARTMENT OF AGRICULTURE

Mr. Chairman: On vote 101:

Hon. W. A. Stewart (Minister of Agriculture): Mr. Chairman, I want to say first of all that this is a very unique, and I must confess an unnerving, experience to present one's first estimates in this House.

Before I get into anything that might be described as a report of The Department of Agriculture for 1961 and activities at the moment, I would like to pay tribute to those who have preceded me in office. I had the privilege of being a farmer in the province of Ontario under the guidance of men like Colonel T. L. Kennedy and the late F. S. Thomas, both of whom were outstanding Ministers of Agriculture in this province. As a farmer, I enjoyed the benefit of their leadership in The Department of Agriculture and, like so many other farmers in this province, I profited by the policies of this government as enunciated by those very able Ministers.

Then as a farmer and also as a private member of the House, I had the opportunity of knowing, in a very personal way, my immediate predecessor in office, the hon. Minister of Highways (Mr. Goodfellow). In my humble opinion, Mr. Chairman, these three men—and certainly by no means the least of them was my immediate predecessor in office—were men who devoted their lives and dedicated themselves to the service of farmers and to agriculture in the province of Ontario. I feel very definitely that their contribution has been one that is indeed very hard for one to follow in office and hope to match. I sincerely trust that, as time goes on, I may be permitted to make some contribution, even though it may not measure up to theirs.

I would like to say a word about the agricultural picture in the province of Ontario for the year 1961 and point out that it was a year that began, as far as farming was

concerned, with a very late seeding, and we were fearful that we might have a crop failure, but ideal weather conditions brought on one of the best crops ever grown in the province of Ontario.

Indeed, I believe that had it not been for the disastrous rains we had right in harvest time and the hot humid weather that came along just at the time of harvest, we might have had the greatest crop yield ever grown in this country.

A good deal of the crop was harvested before bad weather struck; but a sizeable portion was badly damaged, before it could be harvested. Although it may not have been as good quality and the colour may have deteriorated, it is still mighty valuable and good for feeding.

Those who were counting on winter wheat crops for a cash crop were disappointed in some respects. Many had their wheat damaged by sprouting, due to the weather, and some were unable to sell their wheat for milling purposes.

Most of the farmers who could not sell their wheat for milling purposes found some way of drying it and storing it and are using it now for feed—putting it through livestock, which is today paying off very well indeed. I would say that perhaps those farmers are making more out of it today as feed than they might have made had they sold it on the miller's market at that time.

This, I believe, pointed out more than anything else the necessity that we have in Ontario today for on-the-farm storage of grain. So often, our farm people come to harvest time and, not having a place to store their grain, have to sell it to the nearest elevator at a price that is not as good as is might have been had they been able to hold it. I believe this is one of the things that has pointed up the necessity for farmers to provide on-the-farm storage for their grain in an ever-increasing quantity.

We had a record corn crop in the province of Ontario this year with ideal growing conditions right through the entire summer and ideal harvesting conditions last fall after the wet weather subsided. I believe most of the corn in this province was harvested. It is either in silos or in cribs or in bins, after being dried. We have never had such a crop of corn as we had this last year.

Also, we had ideal pasture conditions. I believe our dairy farmers have never experienced a year when the luxurious pasture lasted for as long as it did during the summer and fall of 1961. Ideal weather conditions,

lots of rain and warm weather, kept the pasture growing and kept it green.

We had good hay crops. There is probably an abundance of hay in most of Ontario this year. Some of it got weathered a bit, but generally speaking there is an abundance of hay.

Our crops could be described, for 1961, as outstanding.

We in this province are fortunate to have enjoyed the kind of weather and other conditions that gave us this crop. In western Canada, conditions were not so bright. They suffered a severe drought out there. In fact, in the mid-summer it looked as though it might reach disastrous proportions and the governments of the day, in co-operation with the hon. federal Minister of Agriculture, held meetings and decided what was the best course of action their farmers might take and then encouraged them to follow specific courses of action that seemed to work to the benefit of the whole agricultural industry.

There was, we admit, a serious shortage of feed grain because of the drought in western Canada, and this was of real concern to farmers in Ontario with respect to securing grain for the 1961-1962 feeding season; because in Ontario, we have in the past been bringing from western Canada—importing into this province—between 22 and 28 per cent of our normal feed grain requirements. Out west, they just did not have this grain and so it was impossible to bring it in.

Recognizing this was the problem, the federal government allowed importation of oats from the United States, as well as considerable quantities of corn to stabilize the feed-grain market in the province of Ontario.

This was a great departure from anything that has happened in previous years as far as our province is concerned.

Nevertheless, it did stabilize the feed-grain situation in Ontario, and while feed-grain has increased in price, we must also recognize it has been a benefit to those farmers who are growing grain for sale in the province of Ontario.

The wheat surplus of western Canada is virtually a thing of the past. Hon. members may say to me this is not a matter of concern to The Department of Agriculture in the province of Ontario. I must agree that is true to a degree but we have always recognized, as farmers in Ontario, that the wheat supplies or the wheat surplus that existed in western Canada was a backlog for feed-grain supplies, if needed in eastern Canada.

This wheat surplus is virtually a thing of the past. We have sold tremendous quantities of wheat to the Orient—China—and much more is to move out. Indeed, our farmers of western Canada are now being encouraged by the hon. federal Minister of Agriculture to increase the production of wheat in order to meet the demand that apparently exists for this product. It is a great step forward, I should say, in marketing of export farm products in this country.

We in Ontario are concerned with live-stock and livestock products. We are told by our economists and our statisticians that over 70 per cent of the income of Ontario farms is derived from livestock or livestock products. This brings me to a point which I think is of real concern to us as farmers in Ontario and as people interested in agriculture. We recognize that there is indeed a changing pattern, a changing picture in the livestock situation as far as Canada is concerned.

For years we farmers in Ontario have depended on feeder cattle supplies from the western provinces to stock our feed lots and our farms in Ontario. But with the tremendous growth in population of the western United States, and indeed of western Canada—and because there has been a considerable amount of feed grain and wheat in western Canada available to farmers out there—there has been an encouragement to those who were interested in feeding beef cattle in western Canada, to establish feed lot operations. There, with their dry weather conditions, they do not have to build the expensive buildings that we have to have down here in Ontario to provide shelter from the weather. And they have, in many instances, built rough shelters, some of them out of bales of straw that have been piled up to enclose a feed lot; there have been rough board fences built, but generally speaking they have not gone in for the expensive buildings that we have to have in eastern Canada.

They have had access to the cattle at the ranches; their costs of transportation in moving these feeder cattle from the ranch to the feed lot has been next to negligible; and they have access to all kinds of feed grain, at a reasonable cost, right at their door. And in some cases there has been a co-operative effort by producers of feeder cattle on the one hand, and growers of grain on the other, to establish a feed lot. One fellow puts in the cattle, another fellow supplies the grain, and they have marketed their grain and their beef in a co-operative

way. This has certainly had an effect on the source of feeder cattle for the province of Ontario.

Along with that, there has been a tremendous increase in the demand for feeder cattle in western Canada, from our American neighbours. Literally thousands and thousands of cattle move out of the western plains to feed lots in the United States; and the quality of our Canadian cattle is so appreciated that they have commanded a very high price. This puts us in the spot of competing first of all with the feed-lot operators in western Canada, and with the American feed-lot operators from the United States, in getting our sources and supplies of feeder cattle moved into Ontario.

I would say that this is one of the things that I feel we in The Department of Agriculture, and indeed all farm organizations and people in this province, must recognize if we are going to provide a source of feeder cattle for the farmers of this province in years to come. It may well be that we should, in a very practical way, follow some of the examples that have been set in the demonstration farms established by The Department of Agriculture at Sault Ste. Marie and New Liskeard, where substantial beef cow herds have been established. There, the use of good bulls has proven beyond a shadow of a doubt that we can provide good feeder cattle in our north country for the—I might say, almost inexhaustible—demand of our southern Ontario and central Ontario feeders for these cattle.

It seems to me that we must take a good look at this and do everything we can to provide this source of cattle, or to encourage the establishment of cow-calf operations in marginal areas of the province, in land where they do not enjoy the quality of soil that we have in some other parts of the province where more expensive cash crops may be grown. This is something at which we should take a good look.

Then I would like to point out that an innovation has taken place in the province of Ontario as far as the sale of cattle is concerned. I point to the innovation of auction selling at the Ontario stockyards.

On a trial basis, auction selling was inaugurated for the last three days of the week—Wednesday, Thursday and Friday—and it was tried for a period of some three or four months and worked successfully. It allowed those people who, in the initial stages, had some doubts and reservations about the method of auction selling—as to whether it was the thing that was really needed in

selling our cattle—to use the first two days by private treaty method, the same as we had always had in this province.

But it was found that the demand increased, and there were increasing representations made to the stockyards manager, Mr. Fred Campbell, and to his board of directors of the Ontario stockyards, to extend auction selling. And so we got into a 5-day auction selling at the Ontario stockyards.

I think it is interesting to note that, because of the great demand for western feeder cattle across the line, and the feed-lot operations of the west, there has been a great reduction in the number of feeder cattle coming to Ontario through the stockyards; and certainly because Canada is now declared a TB-free area, as far as cattle are concerned, we do not have to have cattle tested in western Canada and read at the Ontario stockyards before being delivered to the farms, or have them held at the Ontario stockyards while that test is made. This has reduced the number of cattle that have come to the Ontario stockyards through this sort of channel by over 33,000 head.

And yet the Ontario farmer, because of auction selling at the Ontario stockyards, has increased the number of cattle sent there by a very substantial number. As a matter of fact, in the first five weeks of 1962, the annual weekly increase over 1961 sales amounted to something like a thousand head per week. This has had the effect of determining price at terminal market levels. I think it was only a natural evolution by the farmers of this province themselves, who were using the services that had been provided by the various community sales across the province—some 60 or more in number—where farmers were selling their livestock, where the packing houses were sending out their buyers to buy livestock for their trade.

The auction-selling innovation at the stockyards, here in Toronto, has had the result that, in many instances, more cattle are coming here than ordinarily would have gone to those sales or been sold direct to packing plants. And it has had the effect of establishing a market here, where buyers of various plants can bid on these cattle competitively and can establish a going price for the cattle of that particular grade and quality. And it is working out, generally, to the satisfaction of farmers across the province.

I had the opportunity a few weeks ago to go out there, completely unannounced, to the stockyards just to take a look for myself. I spent one Monday afternoon there, just to see what happens, and I was impressed with

the activities of the auction. I was impressed with the number of cattle that were moving through those auction rings, and there were four rings operating the afternoon when I was there.

A number of buyers were there, representing various packing plants and individuals. It was a vast difference from the Ontario stockyards, as I recalled them, many years ago when under private treaty. I have been on those yards many times on a Monday, with cattle of our own, or buying cattle for ourselves, and found that there were literally thousands of cattle on that yard and buyers, to my mind, had the field all to themselves. They could bid on the cattle; and if you did not want to take it, they would leave them there and they would wait for you to take it later on in the day or later on in the week; and in cases I recall very well, the cattle had been there for as much as a week before they were sold.

The auction selling has had the effect of bringing cattle to the yards on Monday, Tuesday, Wednesday, Thursday, in just about equal numbers, and we do not have this large carry-over. We have a number of cattle coming there more in consistence with the buyers' demand. Generally speaking, this has been a policy that I think has worked out very well. There are great improvements in livestock marketing in this province.

While I am on the subject of livestock, Mr. Chairman, I would like to say a word about one of the problems that has plagued dairymen for as long as there has been a dairy industry. We have been successful in cleaning up tuberculosis in cattle. We have been largely successful in cleaning up Bang's disease. I think we should now direct our attention, as definitely as we possibly can, to perhaps one of the worst scourges that the dairy and the livestock industry know: that is, to this problem of mastitis in dairy cattle.

It has been recognized that this is a disease which annually costs the farmers of this province, and in fact the whole country, millions of dollars. It is our intention to initiate a programme in Ontario designed to control and, if possible, to eradicate mastitis from dairy herds. Now, this is a very large order and it is one that cannot possibly come about overnight. But the policy that will be developed is on the basis of a pilot project which will centre around the regional veterinary laboratory at Ridgetown. This will be a voluntary plan. It is the intention to enrol at least 150 herds of dairy cattle.

All lactating cows in the herds of the participants will be subjected to tests at 6-week

intervals in the 9 months following enrolment, and at 3-month intervals thereafter. Each voluntary participant will be required to sign an agreement obligating himself to have infected cows treated under the direction of a veterinarian and to eliminate from his herd all animals that fail to respond to treatment. The Ridgetown experience is to be considered as a pilot project, initiated for the purpose of ascertaining whether or not it is possible to establish and maintain herds that are free from mastitis; and, if possible, to formulate a province-wide, comprehensive, mastitis policy.

It should be pointed out that considerable testing work for mastitis was conducted last year in the regional veterinary laboratories, and a total of 150,000 tests for farmers were carried out. It is also proposed to carry on a more accurate and intensive educational programme, with reference to mastitis as a first step. Courses will be staged for extension workers to come in direct contact with dairy-men, such as the dairy branch field men, the Dairy Herd Improvement Association field-men, and other extension workers—in order that they may be informed on this particular subject, and thereby pass along the information to the dairy farmers.

One of the programmes that was initiated by my hon. predecessor in office (Mr. Goodfellow), and one which met with very great approval and interest in the province of Ontario, was the programme of farm safety. This was initiated two years ago, and a farm accident survey was conducted across the province of Ontario. I would like to point out that we in The Department of Agriculture appreciate, more than anyone can ever know, the voluntary co-operation of the women's institutes across the province, the junior farmers' organizations, and indeed all farm organizations who co-operated with The Department of Agriculture in making this farm accident survey possible.

I would like, Mr. Chairman, to quote just a few of the figures that were revealed. I dare say that many of the hon. members know all these figures but, in case they do not, I would like to bring them to the records of the House.

Between March 1, 1959, and February 29, 1960, this survey applies. The figures from this survey should not be filed away and forgotten, however. This, I think, is most important because they are of real significance in dollars and cents. I would like to recall them to the House.

During this period there were 293 fatal accidents—three times the traffic fatality rate in Metro Toronto. I think it is difficult to

put a price on life. There were 336 permanent injuries sustained, and I suggest, Mr. Chairman, that money is no compensation for permanent disability. There were 5,688 temporary injuries. Now what was the result of these, in dollars and cents? \$700,000 was paid out in medical bills and \$5,254,000 was suffered in property damage through accidents on farms.

Now these are very startling figures; and, aside from the very personal situation of fatal accidents, these are figures which represent dollars and cents in our farm economy today—dollars and cents which farmers cannot afford to lose. I was privileged to attend the Ontario farm safety conference at Guelph a few weeks ago, where representatives from every county and district in the province of Ontario came together to discuss the reports of this survey and to find out ways and means whereby we could bring home to farm people the importance of safety on our farms. I would like to suggest, Mr. Chairman, that The Ontario Department of Agriculture has plans well under way to provide a number of educational farm safety standards where, according to the farm accident survey, the greatest number of all accidents occurred.

I think it is interesting to note that the preponderance of accidents occurred in this order: through tractor operation, machinery operation; home area; barn area and highway travelling. These are the areas in which the accidents were really most pronounced.

It is intended to carry out this campaign through the use of posters, on paper durable enough to last a number of years. It is felt that posters can be tacked to walls of buildings around the farm in places where they constantly remind one of this matter of farm safety. We brought into the House today a few samples of these posters. Here is one on home safety. It depicts a lady on the stair-steps carrying her washing, I believe it is, in a basket downstairs; on the stair-steps are a number of bottles and cans and pails, even over-shoes and boots. This is one of the things that we hope to remind people that they should not do.

HOME SAFETY

Stairs are for people, not temporary storage space.

We hope to have something to do with correcting this situation.

Mr. E. W. Sopha (Sudbury): What kind of bottles? Is that liquor advertising?

Hon. Mr. Stewart: Well, if my hon. friend was interested in farm safety, he would listen

to this instead of trying to make some wise-cracks.

Here is another one on tractor operations, showing a man falling off the back of a tractor. He has been riding—as one might say—tandem on the back of this tractor. This points, in a very feasible way, to some of the things that we should not do.

Here is another one on machinery operations—a man with his coat caught in the power-shaft of a tractor operating a machine. These are some of the things that I think it would not do any of us, as farmers, any harm to have tacked up around our implement sheds, so that it would be indeed a constant reminder to us to be more careful.

These are some of the things that we would like to mention and, along with that, we are promoting and continually encouraging all farm organizations to promote farm safety; because, after all, we are dealing with people, and if we can save the life of one farmer or one farmer's wife, or one farmer's child, then it will more than repay us everything that this bit of advertising and suggested literature will cost us.

Mr. Sopha: Are those from McKim Advertising?

Hon. Mr. Stewart: No, they are not; they are prepared by our own people. Any further question on that?

Now, Mr. Chairman, I would like to say a word or two about agricultural education. We are taking a look, in The Department of Agriculture, at the overall agricultural educational picture in the province of Ontario. We are told that our estimated attendance at three Guelph colleges will jump from 1,563 on the roll this year, to 2,500 in 1965, and possibly go up to 4,000 by 1970. These are figures that we must be concerned with.

We must determine the best way possible for providing the physical accommodation for these students who will likely come to our Guelph colleges for admittance and for training in scientific agriculture. Then we must also make the best possible use of the facilities that we already have, not only at Guelph but at Ridgetown and at Kemptville. We have set up a small committee, among ourselves in The Department of Agriculture, of the people involved, to take a good look at this and see if there is something we can do to prepare ourselves and the department for what I am sure will be an increased demand for agricultural education as time goes on.

Hon. members had the opportunity last week, as members of the committee on agriculture, to deal with the federated colleges

bill and the agricultural research institute bill at Guelph. We will deal with that again in committee and in the House.

But I believe that we could safely say that this was one of the greatest steps forward in the agricultural-educational programme in this province that has been taken in some time; and I am sure you will agree that the agricultural research institute bill is one of the most important pieces of legislation that has ever been brought in.

I would like to remind the House that the College Royal which is on at Guelph this week—the students' College Royal—has as its motto: "Today's research, tomorrow's methods," and surely that is true. We must pursue research if we are to keep pace with the ever-changing picture of Ontario agriculture.

The students at Ridgetown last week celebrated their students' Royal and their motto was "Research advances agriculture". These, I think, give some credence to the thought, which is going through the minds of young people in this province today, of the importance of research and its place in agriculture today.

Then I would like to say, Mr. Chairman, a word about some of the activities of our market development branch. Some 18 months ago, the government of Ontario appointed an agricultural market study group to make a study, during September 1960, in the interests of Ontario farmers, of the United Kingdom markets for farm products. The chief objective of the study group was to inquire into the possibility of increasing export trade in Ontario agricultural products, as the result of the removal during 1959-1960 of most of the United Kingdom restrictions on the import of foods from the dollar countries.

In the past, Ontario food products enjoyed a general acceptance by the British consumer. Now, after being highly restricted for 19 years, this market had to be reopened. As a result, it was necessary to bring to the attention of a new generation of British consumers, the attractiveness, the taste, the quality, and the value of Ontario farm food products. It has been our purpose to pursue this study that was made there and we have had some effective results.

We appointed Mr. E. F. Merritt to the market development branch in July of 1961; and Mr. Merritt, who is an OAC graduate, has had considerable experience in the business and sales field. He was given the particular task of co-operating with industry and the marketing boards here in Ontario, in

an attempt to locate additional markets for Ontario produce in the United Kingdom. His appointment was a recognition of the fact that the United Kingdom has been closed to practically all agricultural products for 19 years. This is something that I think we must recognize—that it has just been reopened.

In the face of increasing competition from other countries, if Ontario was going to again regain any of the markets disrupted by the restrictions on dollar imports, then a very personal contact would have to be built up between agricultural operations in Ontario and the potential importers in the United Kingdom. Mr. Merritt spent September, October, November and part of December visiting importers and wholesalers, in the United Kingdom, who might be interested in imports of Ontario products.

He has made a complete assessment of that United Kingdom market. He has also built a very close contact with the agricultural industry and the producer marketing boards concerned in Ontario.

While there may be increasing problems created because of the United Kingdom interest in the common market—and this is something we cannot ignore—at the same time a positive approach must be taken in order to keep our foot in the door. It is believed that the Ontario government can play a role in market development in co-operation with industry. It might also be of interest to say that Mr. Merritt has this weekend returned to England, where he will be completing arrangements for a very large display of Ontario farm products and a further follow-up of contacts with the United Kingdom food trade.

I would like to say a word, too, Mr. Chairman, concerning our farm management programme in the province of Ontario, which started back in 1948 with a very small beginning. Interest developed as time went on, to the place where, in 1961, priority was given to the establishment of farm management courses in every county of the province.

In 1956, the county of Bruce set up what might be described as a pilot project in farm management under the guidance of the agricultural representative, Mr. George Gear. Along with him was appointed a supervisor, Mr. Larry Rosavear and, after 5 years of concentrated effort on the part of these young farm people—and some of them not so young—who are members of that course, I had the opportunity last fall of meeting with them in what was their first get-together as a group.

Some 125 of those farmers, with their wives, came out to a banquet on a very cold, wintry, snowy night. They got together and congratulated themselves, and I say this very justifiably, for the excellent job which they had done in establishing a farm management course on the basis of practical operation of their farms on a business-like basis.

And I would like to suggest, Mr. Chairman, that it is to the advantage of all farm people to operate their farms as a business as well as using it as a way of life; because, certainly, too often we have been told that as farmers we do nothing more than enjoy the value of country living and describe ourselves as living in a way of life that is beyond reproach from anything else. In today's economy it is necessary that we look beyond that to the place where we must consider ourselves as operating a business. And too often we, as farm people, perhaps—and I know this certainly applies to me as a farmer—have been so fraught with tiredness at the end of a day that we perhaps have not been giving sufficient attention to the actual acts of business management and operation of our farms. And I think if we can instil in the minds of farm people the necessity for business management on sound principle, then I believe we will have gone a long way in bringing a keener appreciation for the application of business to the science of agriculture in the province of Ontario.

We have felt that across this province there has been a tremendous interest in this project. In our own county we have a very active group. The hon. member for Middlesex South (Mr. Allen) will know the group in Middlesex; I was told the other night it numbers well over 90 farmers participating in the club at the present time. This is true right across the province of Ontario.

I would like to say that these groups are being supervised in the various regions of the province—with a supervisor in Ridgeway, one stationed at Kemptonville and, of course, the central office of all this programme is located in the agricultural economics branch of our department, working through the economics department of the OAC. It is initiated by our agricultural representatives at county and district levels.

I would certainly like to point out, Mr. Chairman, that our bankers' school has been developed across the province by Professor A. C. Robertson of Guelph, where he has brought together the bankers of the province, those who are providing credit for farm people, from various financial lending institutions, from the Canadian Farm Credit Cor-

poration, from all types of sources of credit for farm people, brought them together and tried to develop among those people a keener appreciation for the need and for the use of farm credit in the operation of our farming enterprises across the province.

I say, without any hesitation, Mr. Chairman, that the activities of Professor Robertson have brought literally millions of dollars to the use of Ontario farmers in the last few years. Confidence has been created in the minds of our bankers and our lending institution executives, in the farming industry, when they have been shown that where farming is carried on in a businesslike way it is a profitable enterprise. And credit is, to my mind, just another implement that farmers can use as a useful tool in today's economy.

I would like to say, in concluding these remarks, Mr. Chairman, that the policy of this government since it came into office, and not only the policy of this Department of Agriculture, has been to improve the standard of living of the people of this great province who are fortunate enough to be a part of our rural way of life.

I pay humble tribute to the farm organizations, to the farm women's institute groups, whose motto is: "For home and country"; and can we think of a better motto for people to have than that of our women's institutes who have dedicated their lives and their service in their organization to their home and their country?

I would like to pay tribute to the junior farmers' organizations and to point out to the hon. members of this House, through you, Mr. Chairman, that in Ontario we have 37 junior farmer county associations forming 171 individual clubs with 7,099 members; that we have in Ontario today 733 4-H agricultural clubs with 12,820 members; that we have in Ontario today 1,687 girls' home-making clubs operated under our 4-H organization, and we have a total membership there of just under 16,000. And I recall very well, Mr. Chairman, the late member for the riding of Brant last year pointing out, in his own inimitable way, the great contribution that these young people are making to the province of Ontario—where we have these young junior farmers so often marrying girls in the junior farmers' organizations and settling down on the home farm, to carry it on and make a success of it as they have so well in the past.

This is what Ontario rural life really is, and I suggest, Mr. Chairman, that it will be the policy of The Department of Agriculture—as long as I am permitted to have anything

to do with it—to determine to carry on this way of life through rural Ontario.

Mr. G. W. Innes (Oxford): Mr. Chairman, joining in the debate on the estimates of The Department of Agriculture, I first would like to congratulate the new hon. Minister of Agriculture (Mr. Stewart) in his promotion and would hope that his contribution to agriculture will be more than what his speech indicated this afternoon. I had hoped that he would have touched on some of the real problems of agriculture, some of the ones that are the concern of all the farmers in the province, instead of touching on the ones that have not been a concern—although mainly because of the farmers taking the initiative themselves and promoting them to some degree.

I feel that the farm safety he has mentioned, the great work that has been done in that organization, has been spirited primarily by the individuals themselves; but I will hope that in the future, when he gets up to give his estimates, he will touch on some of the controversial subjects such as marketing, such as an over-all milk marketing plan, such as workmen's compensation—and I could name many more of them.

Mr. Chairman, my remarks are going to be brief this afternoon and I will join in on the various estimates as they come up. The last few years have seen a great decline in the farmers throughout Ontario. As you know, the farm income in the last 15 or 20 years has doubled; unfortunately, the farm expenses of those individual farms has tripled, and this is not a good situation. I notice that this government has seen all these rises in expenses taking place and has done little or nothing to cope with the situation.

We on this side of the House believe in a fair return to the farmer for the crops and the products that he produces. We believe that parity prices for all farm products should be an objective of any government whether it be on that side of the House or a Liberal one. I can tell you that this party believes in adequate farm prices, and that they will be necessary if we are going to serve the farm economy and save that economy from the present condition it is currently in.

We are much concerned, frankly, that the marketing plans are not getting the full support of the farmers at the present time. On whose shoulders does this blame fall? We are concerned because the recent votes in the corn and the tobacco, as of last weekend, have indicated that the marketing plans

throughout this province are in jeopardy; and with the defeat of those two votes, namely corn and tobacco, how could one think any other way? It indicates that this government is not competent to carry out the best interests of the farmers. It is a sincere threat to all marketing plans in the province.

We believe that a concerted effort must be made to incorporate a national marketing plan for all Canada. This seems to be one of the features that has not been promoted by the Tory government on the other side of the House and we feel that it has got to come if we are going to get the real benefit of any individual marketing plan; and I think the time has come when the government must look to that end. Ontario is the leading agricultural province in Canada. Ontario farmers produce a greater variety of food, worth more money, than farmers in any other part of Canada.

Agriculture is still one of the biggest industries in the province of Ontario; despite the fact that many people are leaving the farm, the revenue continues to rise. The problems of farmers and the problems of agriculture, therefore, are of vital concern to all the people of Ontario.

We hear a lot today about the farm problems. What is the farm problem? Well, one of the main problems of farmers today is that they have surplus products, or that they are over-producing, and the revenue that they are receiving is very, very low. Ontario farmers today have become the victims of a price squeeze in which the farmer continues to get low prices for the food he produces and at the same time has to pay higher and higher prices for the things he buys. An hour's work in manufacturing today buys 40 per cent more food than it did 10 years ago.

The farm problem in Ontario is also an economic problem, with the family farm, a relatively small economic unit, having to compete more and more frequently with the large corporations. It is also the problem of thousands of individual farmers competing with each other and selling their products to a large corporate buyer.

But the farm problem in Ontario is more than just an economic problem. It is a social problem, as farmers leave the land and the community life of rural areas disintegrates under the loss of people, with the decline of local industry and attraction of the cities.

In the 15 years from 1941 to 1956, 38,000 Ontario farms went out of production. Ex-

perts tell us that if the present trend continues another 25,000 farms will fail in the next 20 years.

The farm problem is also a problem of automation. Machines cut down the number of farm jobs while increasing production and adding to surpluses that, in turn, drive prices down still further. Of 140,000 farms in Ontario, 26,000 earn less than \$100 a month.

In the last 10 years the cost of operating a farm has tripled. Net farming income in Ontario in the year just past was the lowest since The Department of Agriculture began to keep records. This, hon. members, is something we should be very careful about.

Mr. Chairman, the tax burden on Ontario farms continued to mount, with the cost of education alone accounting for well over half of all the land taxes levied in the province. Actually, the one vital question for farmers is not whether vertical integration is good or bad, but who should control vertical integration. Farmers do not want to become hewers of wood and drawers of water, as my hon. friend from Grey South (Mr. Oliver) intimates. Farmers want to be self-employed, self-sufficient, independent businessmen and want to control their own industry.

I believe that farmers should control the agricultural industry. I believe they can and should control the process of vertical integration through co-operatives which are organized by the farmers, to work for the farmers. I believe that the role of government is to help the farmers accomplish this.

I read a recent editorial from a farm co-operative movement in Nova Scotia. It is interesting, and I am going to quote from it:

There is considerable interest in this area in co-operatives and it is always a good thing to take a look at the other areas when trying to determine the value and the problems which might be met in our own area. A few years ago, the farmers of Nova Scotia decided that they needed a farmer-controlled meat packing plant in Nova Scotia. At that time, most livestock were marketed through a few privately owned plants or shipped to Montreal for processing. It was felt that the price of the finished meat products was unduly high compared with the price received by Nova Scotia farmers for their livestock.

In co-operation with the government of Nova Scotia a co-operative abattoir was financed and established to provide two things. First, a farmer-controlled outlet for livestock; and, second, some measure of competition for the established trade.

Concurrent with the new plant was a push to greatly increase meat production in the province. The aim was to increase production so that Nova Scotia could provide all its own needs for meat. In the past, Nova Scotia had imported from other parts of Canada a large proportion of meat as needed.

The co-operative abattoir was established and opened about a year ago. Recently the Minister of Agriculture for Nova Scotia had this to say about the plant: "The establishment of a co-operative abattoir in Halifax has been a great boon to the beef raisers in Nova Scotia."

The hon. Minister was speaking this afternoon about beef-raising.

He noted that since the plant was opened there had been a tremendous improvement in the price Nova Scotia farmers received for their beef cattle. In fact, since the opening of the plant, Nova Scotia beef prices had risen to be about equal with the price at Montreal. This indicates how a modern, well-managed co-operative has helped the livestock producers of one of Canada's problem areas, the Maritimes.

The farmers of Ontario, operating their family farms, have achieved great efficiency. The farmers of Ontario have not failed the consumer or the economy. The economy, none the less, has failed them.

In an expanding economy, it is only fair and just that farmers share in the growth of prosperity. It is not fair to farmers that, while the rest of the work force grows richer, they grow poorer. It is not only unfair, it is also unhealthy. The government can help farmers to help themselves to a just share of prosperity by encouraging the growth of co-operatives.

If hon. members will notice in the estimates, when we get down to them, we have an appropriation of about \$450,000, and each year only about \$300,000 of that is used up.

In other words, about a quarter of the price of what it will cost to build an over-pass for one of our super highways, that is the contribution, the meagre contribution, that this government is loaning to co-operatives. It seems rather unfortunate that the Tory government, which seems to be the champion of all the people, would give this meagre appropriation to this great co-operative movement, which could do so much throughout the province—

Hon. Mr. Stewart: Would my hon. friend permit a question?

Mr. Innes: —by making available the capital farmers need to keep pace with automation, to expand their buildings, to re-equip their farms and to establish the processing and marketing facilities that will bring farmers a greater share in the over-all profits of the food industry.

I might ask the hon. Minister if he is in favour of aiding the co-operative, FAME?

We in the Liberal party recognize the problems confronting the farmers in Ontario. We are concerned to find the best means with which government can assist farmers to solve their present dilemmas. To me, the premises that I have outlined constitute a reasonable base upon which a sound farm policy can be constructed in the best interests of all the farmers and the people of Ontario.

Now, there are a few other items that I would like to touch on. I feel that, possibly, when the estimates come up, we can reach into them a little bit more, but I would want to say that the hon. Minister did speak a little bit about research. That is a good step forward and one that should have been taken many years ago. It has been a problem where one institution has been overlapping research on another. This has been a wasteful extravagant feature, in keeping with some of the other departments of this government. I think a programme here was long overdue and we hope for great success in the research department.

Mention was made of the tremendous growth in the education and of the students attending our various agricultural institutions and the education that will be forthcoming in the years ahead, and also the almost doubling of the student body at some of the schools and colleges. My only comment is that I would like to stress very strongly the importance of the Ontario Agricultural College. It is the largest in the British Commonwealth, a college that is known throughout the world for being the first in many achievements, but I would mention to the hon. Minister that it is not going to attain the success that he intends unless he will go along with the thinking of the hon. members of this side of the House and incorporate it to a doctor's degree granting college. It will then receive recognition of students from all over the world who will come to the agricultural college and obtain their doctorate degree in both veterinary and agriculture. I say this in all sincerity. The late member for Brant and I, Mr. Chairman, both being graduates of that institution, felt that it should have this recognition. When other lesser colleges throughout Canada have those facilities, it

seems rather unfair to think that an institution—the largest in the British Commonwealth—does not have that opportunity. I think it is only fair to students who are attending that they have the opportunity to get that further education. It will instill in the minds of people all over the world the importance of agriculture to Ontario.

Mr. D. C. MacDonald (York South): Mr. Chairman, at the outset I would like to congratulate the hon. Minister (Mr. Stewart) on two accounts.

First, on his elevation to the position of Minister of Agriculture. I know it is a task to which he will turn his time and energies with interest and satisfaction because of his own position as a farmer in this province. The second thing I want to congratulate him on is that I did not think it was possible for an hon. Minister to get up and introduce his estimates and so skilfully avoid all of the major issues that are now plaguing the agricultural industry.

I am not ignoring the few that he raised; but when hon. members think of vertical integration, when they think of marketing, when they think of all the real issues pre-occupying the farmers of this province today, he did not touch on them except in passing. As a matter of fact, Mr. Chairman, his speech was exactly—he tackled it to a degree, I grant, in the category of the hon. Minister of Citizenship (Mr. Yaremko) the other day—I will not say the Provincial Secretary, because he has forgotten he is the Provincial Secretary, he is just the Minister of Citizenship—when he discussed education and all of these other features, which are important enough in themselves, but never got down to the real issue which is creating many of the problems for the new Canadians.

Now let me take just one point to illustrate. The hon. Minister referred, with commendation, to the mottoes of the students at Ridgetown and OAC with emphasis on research. I have been impressed myself, Mr. Chairman, on reading agricultural journals, and those who are writing on agriculture for non-agricultural journals, by the fact that our real problem today is not research on production. The problem of production is not the problem on the farm front. In most places the problems are created because of surplus production. Our desperate need is for research in marketing, in pricing and in difficulties that arise after the farmer has actually produced.

We heard very, very little of that.

I think it is rather significant, Mr. Chairman, that a short time ago the hon. Minister of Agriculture appointed a fact-finding committee. This appointment is a belated acknowledgment of what has now become a rather desperate position on the agricultural front—the threat of vertical integration.

The family farm, which is the basis of agriculture as we have known it in the past, is faced with the real possibility of extinction. During the last 10 years we have had a relentless cost-price squeeze.

I was interested, for example, in the hon. Minister making a plea to farmers that they must be not just farmers in the sense that they regarded themselves in the past, but they must be businessmen. Mr. Chairman, if most farmers were really to take his plea seriously and examine the normal way in which business operates, they would be leaving the farm even more quickly than they are at the present time. Because if farmers were to operate on the basis of most businessmen, namely, that he should get a fair return on the capital which he has invested, that he should get a fair return for his own labour and the labour of the rest of the family, then farmers as businessmen would be getting out of the business overnight.

So I think maybe he should push that plea just a little bit more quietly.

Hon. Mr. Stewart: Mr. Chairman, would the hon. member permit a question?

Mr. MacDonald: Surely. I can hear the hon. Minister. The hon. member for Oxford (Mr. Innes) could not hear him.

Hon. Mr. Stewart: Thanks very much. Mr. Chairman, I wonder if the hon. member for York South realizes that in the group that I referred to—and this is only in one particular county—that after an actual analysis of their books for some years, the top farmers of that group had a net income of well over \$5,000, after all the expenses that the hon. member referred to had been taken off.

These are the things that I think we should recognize. We should not always plead the case of down in the mouth. I resent, being a farmer myself, being told continually that I am a member of a group of people that the hon. member would describe as being always in desperate, dire financial circumstances.

Mr. MacDonald: Mr. Chairman, it is all very well for a few of the aristocrats in the agricultural industry, for whom the hon. Minister is apparently quite willing to be the

voice; but I invite him to re-read the introductory portion of the submissions of both the federation of agriculture and the farm union. If he thinks I am misrepresenting the voice of organized agriculture at the present time, then I think he had better go back and re-read it, because I am not exaggerating the situation they have presented.

It is all very well for the hon. Minister to come in here and present this rosy picture; but what are the facts? The facts are that in the past ten years agricultural costs have gone up 23 per cent, while receipts have gone down 12 per cent. This is the basic position of agriculture today.

Hon. Mr. Stewart: I cannot agree with the hon. member.

Mr. MacDonald: These figures are accurate figures that are available from agricultural economists; and this squeeze has gone on relentlessly for the past ten years. The hon. Minister need only take a look at the past year. I have here, for example, the figures available from the federal bureau of statistics on February 20, 1962, in which they point out that the net income—and this is the important figure to look at, not the gross income—

Hon. Mr. Stewart: It was the net income I was talking about.

Mr. MacDonald: The net income of agriculture in the last year is now down to \$1 billion. Now I will read the next paragraph, which throws it all into the appropriate context of the moment:

The drop of \$307 million brought net farm income in 1961 to the lowest point since 1957 and underlines the extent of the loss suffered by western farmers for low grain yield and the drought-afflicted prairies.

Mr. S. L. Hall (Halton): We are in Ontario now.

Mr. MacDonald: We may be in Ontario, but—

Interjection by an hon. member.

Mr. MacDonald: Mr. Chairman, I did not know which of the backbenchers made that comment, but I remember a year or so ago one of the agricultural organizations invited those of the standing committee on agriculture to come down and have a meal, and in the course of his remarks we had rather illuminating comment from the hon. member who has just spoken. It was to the effect that he hears an awful lot about farmers who are

poor and down in the mouth, but he cannot figure this out because he has been selling cars to them and he has been getting his money and therefore farmers really are rich and it was about time they cut out this kind of talk.

Mr. J. R. Simonett (Frontenac-Addington): What is wrong with selling a few cars to them?

Mr. MacDonald: It is striking home a little, anyway, Mr. Chairman.

However, Mr. Chairman, the net impact of all this trend, this process that is now going on, is revealed rather interestingly and dramatically in a statement of this government itself. As far back now as seven years ago, when this government made its representation to the Gordon commission which was looking at Canada's economic prospects for the next 20 or 25 years, they pointed out the significant fact that half of the farmers in the province of Ontario today were newcomers who had come onto the farms since 1945. Now what that simply means, Mr. Chairman, is that half of the people in agriculture had been driven out of agriculture since 1945.

Hon. Mr. Stewart: Do not be silly.

Mr. MacDonald: They have not been able to survive, and the industry that we used to know in the olden days—an industry with a degree of stability—has in fact become an industry of transients. Even those who are today on the farm, and trying to make a go of the farm, are not able to survive from the income of the farm alone. The result is that there is a very significant proportion, and a growing one every year, of farmers who are working in industry, who are forced to seek an income from some supplementary source to be able to survive on the farm, or to have a standard of living that is in keeping with the standard of living of the rest of the people in the province of Ontario. So there is no need for the hon. Minister to get up and quote a few isolated figures with regard to a few farmers and ignore the generality of the problem the farmers are facing today.

Now, Mr. Chairman, some people view these agricultural problems today with equanimity; in fact they almost gloat over them. I do not know whether the hon. Minister is in that category; I do not think I should be unfair and suggest he is, but some of his political pals in the newspaper world certainly are. I am referring to the editorial writers of the *Toronto Globe and*

Mail. Their views on agriculture are of constant fascination.

For example, earlier this month, February 10—last month now—the *Toronto Globe and Mail* had an editorial, the first paragraph of which read this way:

Warning the meat packers council of Canada against further vertical integration of the agricultural industry, Mr. Everett M. Biggs, Ontario Deputy Minister of Agriculture, said that if food processors are permitted to raise a substantial proportion of their own raw product requirement, the existing system of marketing farm produce will break down. There could hardly be a better reason for encouraging vertical integration.

Now there is one of the voices of Toryism in the province of Ontario—

Hon. Mr. Stewart: Is the hon. member in favour of it?

Mr. MacDonald: Of course I am not in favour of it. And if the hon. Minister has misjudged any of my comments so badly up until now, I ask him to listen a little more carefully.

Hon. Mr. Stewart: I thought the hon. member was opposed to that.

Mr. MacDonald: Here is one voice of Toryism in this province, in effect, saying that if farm marketing, which of course encroaches on the free enterprise which those people who have been exploiting agriculture traditionally down through the years are happy with, is creating this kind of a problem and is going to be hurt by vertical integration, then let vertical integration come all the more quickly.

However, they had a few more comments with regard to the hon. Minister when he set up his vertical integration committee. In an editorial entitled:

EXPENDABLE FARMERS

—a view incidentally which is fairly widely held in Tory ranks—the editorial writer had this to say in the final paragraph from an editorial on February 23:

Mr. Stewart said last month that vertical integration is “not in the interests of agriculture or our family farm” and should be treated accordingly.

He might better have echoed the remarks of one of his predecessors as Agriculture Minister, the late Mr. Tom Kennedy, who was himself a farmer. After observing that “the day of the family farm

is fast coming to an end,” Mr. Kennedy said: “What we need today is an educational campaign to bring home to the farmer that he is expendable unless he can change his mode of operation.”

We hope the committee will consider the advantages of vertical integration as a realistic change in the farmers’ mode of operation.

Now there is the one wing of the Tory party, and incidentally a pretty dominant wing of the Tory party, the big business wing of the Tory party that provides most of its slush funds—

Hon. Mr. Stewart: Well, now, who does the hon. member think he is kidding?

Mr. MacDonald: Is it not wonderful how they are cut to the quick; and we get the squeals from the other side of the House—

Hon. Mr. Stewart: Mr. Chairman, the hon. member for York South has done the present Minister of Agriculture the greatest favour any man has ever done him in commending him on the stand he has taken on vertical integration.

Mr. MacDonald: Agreed. But I trust the hon. Minister did not ignore the opening comment of mine that this was a belated action on the part of the government in recognizing a desperate problem. What he should have been doing—he and his predecessors should have been getting at this some 5 or 10 years ago, and he would not have had so many of the farmers leaving to let somebody else try their hand for a time to see whether they can survive on the farm.

An hon. member: Where were you?

Mr. MacDonald: This is the kind of ambivalence and contradiction in the Tory approach. And, incidentally, Mr. Chairman, while I am always interested in the views of the Liberal Party to my right, I am very curious to find the same kind of ambivalence in their ranks.

For example, during the by-election the new hon. member for Brant—

An hon. member: Oh, do not talk about that.

Another hon. member: He made such a poor show, he would have been glad to stay home.

Mr. MacDonald: We doubled our vote and we will do it once or twice more and hon. members will see the difference.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. MacDonald: Thank you, Mr. Chairman. I am quoting from the *Brantford Expositor* of December 21, in which they have a direct quotation from Mr. Nixon, the new member for Brant, quoting him as saying this:

The family farm is now being threatened by the big food processing companies which are buying up farms and invading the field of production which rightly belongs to the farmer. Mr. Nixon emphasized that this invasion of the big processing companies was threatening all types of farming, dairy farming and tobacco farming as well as the growers who concentrate mainly on fruits and vegetables.

So far, a very eloquent, able statement, but just to show, Mr. Chairman, how deep is the conflict right in the heart of the Liberal Party, at the same meeting—

Mr. F. R. Oliver (Grey South): The hon. member should not worry about our heart; he should worry about his own.

Mr. MacDonald: —at the same meeting they had another speaker and what did he say? The news story continues:

The meeting was also addressed by Senator William Taylor, who strongly criticized the New Democratic Party candidate for his attacks on big business. Senator Taylor pointed out that the shareholders of most of our big corporations include farmers, school teachers and housewives and people in all walks of life.

So here we have one voice of the Liberal Party deploring the threat to the family farm—

An hon. member: Who won that by-election?

Mr. MacDonald: —deploring the threat to the family farm by corporations; and here we had the same voice—another voice of the Liberal Party at the same meeting—being critical of the New Democratic Party candidate because of the fact that he was pointing to the threat of corporations to the family farm.

An hon. member: A different thing altogether.

Mr. MacDonald: Well, maybe it will take a little time before the people see the contradiction in the Liberal Party but I submit that they will.

An hon. member: Is the hon. member trying to say that the people are not intelligent?

Mr. MacDonald: No, I did not say that. The people did not get all the facts, but one day they will get all the facts and in their intelligence they will vote accordingly.

The answer, Mr. Chairman, as to why you have this kind of contradiction in both the Liberal and Conservative parties' approach, is of course, if I may borrow that current phrase at the moment, that both of the old parties are the victim of sinister influences within their ranks—

An hon. member: From where?

Mr. MacDonald: From the big business interests who dominate them. And that is the reason why, of course, on one hand they promise to protect the family farm and on the other hand they speak on behalf of those forces that are destroying the family farm.

Now lest there be any doubt as to where the New Democratic Party stands as far as the family farm—

Interjections by hon. members.

Mr. Oliver: The only farmer the hon. member's party had has gone.

Mr. MacDonald: Are you with me, Mr. Chairman, or with all this babble?

Mr. Chairman: Order.

Mr. MacDonald: Thanks. I want to read one quotation from the interim statement of of the New Democratic Party provincially, as was adopted at the founding convention last fall—

An hon. member: This one may be changed, eh?

Mr. MacDonald: No, there are a lot of farmers participating in the full statement of it. And you know, interestingly enough, Mr. Chairman, since I have now had some reference to a late and unlamented gentleman—

An hon. member: Who is that?

Mr. MacDonald: —who has joined the Liberal party. When this happens, you know, it reminds me of the time when somebody in the House of Commons who was a big burly fellow said to Tommy Douglas, when he was a member of the federal House of Commons years ago, that he was such a small

little fellow that he could eat him with one gulp. Whereupon Tommy Douglas said: "If you did you would have more brains in your stomach than you have in your head."

An hon. member: That is an old one.

Mr. MacDonald: I would suggest, Mr. Chairman, before the cheering takes place among the gentlemen to the right, they had better wait until they find out what they have got. However, Mr. Chairman, the point I wanted to refer to, since there was some derision poured on our programme and how it is being shaped, is that in that famous press conference that was held when the none too cordial and intimate relationships were established between Mr. Pearson and Mr. Argue, and which was accurately referred to in the news story of the *Ottawa Citizen* in this way:

—that Mr. Argue looked calm and confident but Mr. Pearson looked ill at ease.

An hon. member: And with good reason.

Mr. MacDonald: Anyway, in the course of it, somebody said: "Well, what is going to be the Liberal party programme on agriculture, and will Mr. Argue support it?"

Mr. Pearson said: "We have not got the agricultural programme drafted yet, but when it is it will be given to Mr. Argue."

That is how farmers have to operate within the party, where other than farmers shape their programme.

However, do not let me digress any further, Mr. Chairman. I was enjoying myself on the digression, however.

The New Democratic Party believes that the family farm, enlarged to meet modern needs and conditions, is a basically sound unit for agricultural production and a desirable social institution. It provides a unit of production in which families may exercise ownership and management; it fosters personal responsibility and human dignity, all of which contribute to a great stability for our rural communities. I just want to say, in contrast to some of the forces in the Tory party such as those who speak from the car agencies or from the *Toronto Globe and Mail* editorial writers, that there are others who disagree with them.

As the hon. member for Oxford (Mr. Innes) made a few points on which I agreed with him, I want to acknowledge one. He stated during the course of his remarks that, to a degree, vertical integration is inevitable; to the extent that vertical integration is going

to improve the efficiency of production and marketing, it is inevitable. The real question that faces the farmers is: who is going to control this vertical integration?

Is it going to be vertical integration from the top down, so that the farmer is reduced to the position of a twentieth-century serf who has no sense of ownership or no sense of management—he gets \$1 per pig per month for the production on the farm and he is just a hired man for the packing company or the feed company? Or is the farmer going to have the sense of dignity with vertical integration controlled from the bottom up, where he is going to have control of his product beyond the actual production, into the processing and into the marketing? That is, of course, the kind of desirable vertical integration; but that is not the kind of vertical integration that the *Toronto Globe and Mail* editorial writers are in favour of because that, of course, would wrest the control from the packing and the feed companies, the machine companies and all the others.

Now, the question, Mr. Chairman, that I think we should address our attention to for a moment, is: what is going to be done about this? This is the real basic problem upon which the hon. Minister, in the year 1962, has set up a fact-finding committee to give him some idea of what this government should do. The farmers have been living with the problem for a long time. I think the rest of us in the House should direct our attention to this while the government drifts a little bit further.

One of the things that I think we have to do is to give far greater attention to the development of co-operatives. I know that the government has moved, after great pressure for years—this is the only condition under which they do move, the result of pressure for years—in establishing, not a department of co-operatives that might do a real over-all co-ordinated job, but a co-operative branch within The Department of Agriculture. This is a step in the right direction.

I think, Mr. Chairman, that we should take note of the fact that while everybody pays lip service to co-operative enterprise as being the finest kind of economic activity that is possible, within the last 10 years—and I think this would be true even if one went further back—the co-operatives have no more than held their own as a proportion of the economy in the province of Ontario. In other words, this highly desirable kind of economic activity is not becoming a growing and a larger proportion of our economy; it is no more than holding its own.

I was interested just this past week, for

example, to read in the February 24 issue of the *Financial Post* an article on co-operatives; and I quite acknowledge that maybe these figures should be analyzed to find out just what is the classification in the various provinces. But, on the surface, it struck me as rather significant that of the 2,883 co-operatives in Canada—marketing, purchasing, service and fishermen's co-operatives, doing a business of \$1.5 billion approximately—if you contrasted the situation in the province of Quebec with the situation in the province of Ontario, you have 364 co-operatives in the province of Ontario and 732 in the province of Quebec. In other words, the number of co-operatives is well over double in the province of Quebec as compared with the province of Ontario.

Another rather disturbing feature, Mr. Chairman, is that the co-operative movement, at least in its agricultural wing in the province of Ontario, is based on the family farm. This is the very sector of the economy in agriculture which is being destroyed. If you go out into the rural part of Ontario it is the little family farm that is in the co-operatives. "Agribusiness"—that rather unlovely term that has developed—a combination of business and agriculture, the corporation farms and so on, are the people who are less interested in co-operatives. They are not interested in co-operating as fully with the rest of their fellow farmers.

In other words, the whole vertical integration process is a threat to the present co-operative movement—in addition to the failure to expand in the manner we would like to see.

Why have we got this? Well, Mr. Chairman, I want to suggest that there is no mystery to it. Despite a certain amount of political footwork to suggest that the government is intensely interested in co-operatives, when farmers have moved to that next step—for the control of vertical integration, not just for production but moving into the processing of it—we have had some rather dramatic revelations of the basic hostility of this government. The best one, of course, of the attitude of the government, was expressed by the former hon. Prime Minister (Mr. Frost) to the proposal for building meat packing plants, in the province of Ontario, known as FAME.

Hon. members will recall the hon. Prime Minister's very succinct and eloquent comment was that he had "never heard of anything so silly in his life." That, Mr. Chairman, was with regard to the principle, the ideal, not to all the subsequent difficulties that emerged because of personality clashes and

difficulties over finances. This was just simply to the principle, the idea that Ontario farmers should seek to get control of the processing of their meat products in the fashion that Quebec farmers have, so that they control 35 or 40 per cent, or Danish farmers, where they will control some 80 to 90 per cent.

Contrast the situation and attitude that we have in the province of Ontario with the one that the hon. member for Oxford (Mr. Innes) referred to down in the province of Nova Scotia, where at exactly the same time—and interestingly they were concerned with another Tory government—the farmers down there wanted to go and extend their control of the product, the control of vertical integration, through building meat packing plants throughout the province. They were told in advance by the government that for every one dollar they raised the government would make another dollar available. Very quickly, the farmers raised the necessary amount and they have their plants in operation.

Now, I am not suggesting that this government should provide financial assistance to FAME in the province of Ontario because the tragedy, Mr. Chairman, is that many of the farmers in this province are suspicious of the kind of domination and influence exercised by governments in farm organization. They are not asking for the money because they are fearful that if they get money from the government then their organization is likely to come under the control of the government and producer control would be destroyed altogether.

Furthermore, you have such things as the relentless campaign against co-operatives for an alteration in the tax structure, emanating from the chamber of commerce, the manufacturers' association—once again those very bodies that are normally in political working partnership with the Conservative government.

I was interested, in the MacFarlane report that was made on trying to reconcile the marketing boards and co-operatives, to find that one of the recommendations urged that greater credit should be established for co-operatives—not just credit on the limited basis that is available now—such as the hon. Minister was trying to draw attention to a few minutes ago. In fact, it struck me as rather significant that out of the whole of the MacFarlane report the one item that was picked by the rural co-op, one of the voices of agriculture in the province of Ontario, was this particular recommendation.

The first two paragraphs of their report read as follows:

That the establishment of large-scale, government-backed credit facilities for aiding the rapid co-operative development was advocated by David MacFarlane, Professor of Economics, of the Faculty of Agriculture, McGill University in Toronto last week. Presenting the long awaited agricultural marketing report at the co-operative union of Ontario's annual meeting Dr. MacFarlane said that he had in mind a credit organization patterned after the U.S. bank for co-operatives.

In other words, an attitude on the part of the government—a willingness to make available to co-operatives, the credit that is required so that the co-operative sector of the economy can expand, instead of merely holding its own as a proportion of the economy. These are some of the things that we should give our attention to.

The second answer, I think, to meeting the problem of the farmers at the present time is to be found in the marketing field. I am not going to rehash a great deal of old straw in this connection, but I think basic to our consideration of it is the action of this government a year or so ago, Mr. Chairman, with regard to Bill No. 86. We had in the province of Ontario one of the better, if not the best, farm marketing Act in this Dominion.

There were weaknesses in it, weaknesses which I think we should have paid some attention to and corrected. But because of the government's reaction to certain battles that took place on the farm front in the province of Ontario, they brought in amendments through Bill No. 86 that are now part and parcel of The Farm Products Marketing Act. These amendments have, in effect, destroyed the basic principle upon which marketing had been built, namely, producer control.

One of the other problems that we must take cognizance of, as has been illustrated in the recent corn vote, is that because of the influence in the control of corporations, and those who are willing to go along with corporations in contracts and things of this nature, it is becoming increasingly difficult to get marketing schemes established today.

I suppose each person is entitled to his own judgment as to why the corn vote was lost, but certainly I was interested to discover that this was the considered view of the executive of the Ontario Federation of Agriculture when they came and presented

their annual representation to our caucus the other day.

What we need to establish, Mr. Chairman, is orderly marketing. This has been one of the goals of agriculture for the last generation at least, orderly marketing, which starts at the provincial level. But if we are going to get orderly marketing, as we discovered with cheese, and to a degree with hogs, and many other products, we must face up to the fact, Mr. Chairman, that we must go beyond the province and recognize the need for national marketing boards.

Related to national marketing boards—and here is where I wish the government would spend some of its research money—we need some research on trying to get a price for the farmers so that agriculture's income would be closer to parity, not just as an objective but as a reality in this province and in this nation.

The basic figures here, Mr. Chairman, are simply these: With 12 per cent of the people today in Canada on farms, they are receiving 6 per cent of the national income, so that there is need for whatever effort can be made to get a greater parity in terms of income—not the kind of situation that we have seen in the cost-price squeeze over the last ten years.

Without going into the detail of it; this is complete justification for guaranteed prices or deficiency prices or whatever other kind of approach this government or any succeeding government feels must be taken to make certain that agriculture gets a fair share of the economy. And they must proceed in working this out in a fairer fashion despite the criticism from the sidelines and from those powerful voices within the government itself.

It is all right to subsidize the gold miners but it is not all right to subsidize the milk industry or some other sector of the agricultural industry that is producing such a vital product as food. In fact, it is rather interesting in this search of organized agriculture from the marketing board to find what happened just a short time ago in the federal House of Commons, Mr. Chairman.

A member of the House of Commons, Arnold Peters, the New Democratic member for Timiskaming, moved an amendment to the Throne Speech reaffirming the principle of national marketing boards. Now, for these voices on behalf of agriculture that have come from my right in the Liberal ranks, the very intriguing thing was that when the vote came, the Liberals joined with the Conservatives in opposition to the concept of

national marketing boards. It is very interesting when one thinks of—

Mr. J. J. Wintermeyer (Leader of the Opposition): On a point of order. In order not to take the time of this House, unnecessarily, I can assure you, Mr. Chairman, that we in the Liberal Party believe in a national marketing scheme.

Mr. MacDonald: Well, here we have just another instance, Mr. Chairman, of the conflict, the schizophrenia and the ambivalence within the Liberal ranks. The record, if they just want to go back and take a look at the federal *Hansard* for Tuesday, February 20, reveals that the Liberals joined with the Tories in the House of Commons in voting against national marketing boards.

Mr. Oliver: We are not opposed to national marketing. This is a figment of imagination.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. MacDonald: Thank you, Mr. Chairman. I shall not comment on the fact that if a party believes in something and votes against it, it creates another mystery that we ordinary folk will have to cope with in trying to divine the mysteries of the Liberal Party.

However, I was rather interested—to get back to the Conservatives over here—when Arnold Peters sat down after moving his amendment, which read as follows:

That this House regrets that Your Excellency's advisors have failed to give agricultural producers proper and countervailing powers in the market place through among other things taking steps to provide for national marketing boards,

The next man to get up was J. N. Macdonnell, a very respected gentleman who gave the most pained exposition of how frightening were the suggestions involved in the operation of national marketing boards. He could not conceive of anything that frightened him more than the pricing arrangements and the operations of everything involved in a national marketing board.

He summed it up all very beautifully, Mr. Chairman, by this:

Insofar as I am concerned it is inconsistent with the aims of the party to which I belong.

So you have the Tory party voting against it, and one of their respected members saying that national marketing boards were incon-

sistent with the aims of the party to which he belonged. Where the Liberal Party belonged, I do not know, except that they too voted against it.

If I may revert very briefly again to the issue that is one of such very great delight in the Liberal ranks at the moment—there was an article a week ago Saturday in the *Toronto Globe and Mail* datelined Saskatoon which read:

WILL THE PRAIRIE FARMERS SEEK A NEW VOICE?

I will quote one or two paragraphs here.

They said [these are the people in the Saskatchewan Farmers Union] that they had a great deal of sympathy for Mr. Argue when he first took his step. However, Mr. Argue will receive "no sympathy" for joining the Liberals from the majority of the farmers in the prairies who belong to the provincial farm unions. The reason for this quick reaction to Mr. Argue's orbiting is in the fact that the Liberal Opposition at Ottawa voted against national marketing boards. Where would Mr. Argue have stood on this question as a Liberal? This is the poser that SFU officials would like him to answer.

That is from the *Toronto Globe and Mail*, February 23, by Patrick O'Dwyer, a good Irishman.

Now, Mr. Chairman, I want to turn to one other aspect of farming and I want to raise this in terms of principle, dissociated from personalities, because I think this is something that is a matter of growing concern, perhaps for the moment among a minority of farmers, but nonetheless a matter of growing concern.

On page 7 of the OFA's brief this year, I was interested in their comment to this effect:

The agent of government policy, the Ontario Farm Products Marketing Board, has been especially helpful in the practical interpretation and implementation of government and farm organization marketing aims.

Now here was a rather frank and blunt assertion that the farm products marketing board was an agent of government policy. If that be true, I think it is time for us to take a look at the setup of the Ontario Farm Marketing Board and to ask ourselves whether this setup does not involve two or three functions which are basically in conflict, if the government expects the same group to fulfill them.

For example, here is a quotation from the

terms of the Ontario Farm Products Marketing Board, the Act. It reads as follows:

The board may, subject to the regulations, investigate, adjust or otherwise settle any dispute relating to the marketing of regulated products between producers and persons engaged in marketing or processing their regulated product.

Another subsection in the same clause reads as follows:

Upon any investigation under this section the board shall have all of the power that may be conferred upon a commissioner under The Public Inquiries Act.

In other words, Mr. Chairman, the first point that I want to make is that one of the functions of the Ontario Farm Products Board is a judicial function—

Mr. Sopha: Quasi-judicial!

Mr. MacDonald: Agreed, a quasi-judicial function! Then there is another clause in the Act, which reads as follows:

The board may require any local boards to carry out any purpose of the plan that the board deems necessary or advisable, to vary any purpose of the plan if the board deems advisable, and to cease or desist in the carrying out of any purpose or proposed purpose of the plan the board deems unnecessary or inadvisable.

In other words, that, now supported by the further powers of Bill No. 86 which are part and parcel of The Farm Products Marketing Act, underlines the fact that the Ontario Farm Products Marketing Board in addition to being a quasi-judicial body, is also an administrative body which is empowered under the Act to intervene daily, if it so desires, in the operations of local marketing boards.

Hon. Mr. Stewart: Has that ever happened?

Mr. MacDonald: Sure, it has. It happened in the instance of the hog board.

Then there is a third function of the Ontario Farm Products Marketing Board and that is: increasingly, officials of the Ontario Farm Products Marketing Board and members of it are moving across the province engaging in what could be described as, "propaganda or educational work" in terms of implementing government policy. So that this quasi-judicial body is engaged through its personnel in going around the province to try to get acceptance of government policy.

I want to suggest to you, Mr. Chairman, that it is impossible to have these functions

performed fairly and impartially by the same group of people. I am not just going to submit my own conclusions on this, I offer the comments of an eminent jurist in the province of Ontario. In another context, but with reference to the same kind of a problem, some years ago, back in 1947, Mr. Justice Wells was the author of a report looking into the milk industry. In his report Mr. Justice Wells had two or three comments to make which I would like to read to the House. The first one went as follows:

The milk control board, by virtue of the terms of the Act, has been called on to perform two conflicting functions. The one administrative, and the other judicial in respect to licensing. In my opinion the judicial function has not been performed judicially but is being governed by the overall administrative policy of the board. Administrative objectives seemed to have been the governing factor and to have coloured the board's interpretation of the terms of the Act and its application to the individual applicant. A more effective division of these functions would seem desirable.

In other words, what Mr. Justice Wells was saying—and his comment has perfect application to the situation at the moment—was that if the Ontario Farm Products Marketing Board is an agency of the government for the implementation of government policy and if it has administrative capacities, it is impossible for it to act judicially in fulfilling its quasi-judicial function. In fact he goes one step further. He said this:

In my view, it is quite impossible to fairly combine the powers of bureaucratic administration with those of a judicial nature in the same person with any hope of dealing impartially with the subject's rights.

He finally makes a proposal as to what should be done about this, which I throw out for consideration of the House and maybe some years hence for consideration by the government for action. What he said was this, in his recommendations in that report:

That the administrative and judicial functions of the board as to licensing be separated by setting up an advisory board somewhat similar to the insurance advisory board, in order that the judicial functions of the milk control board be exercised as provided by the statute free from any administrative bias.

In raising this problem, Mr. Chairman, I would like to make this final comment. I

think one of the disturbing things which is emerging in having a board with all of these conflicting functions is the fact that the government has gone one step further, and this government has a fantastically well-developed capacity for captivating, or half-captivating, agricultural organizations by getting key personnel in. Recently, what the government has done, is appointed to fill the positions on the Ontario Farm Products Marketing Board three persons for whom I have the highest regard—one of them is a past top official of the farm union, another is a past top official of the federation of agriculture, the third one is a past top official of the UCO.

Hon. Mr. Stewart: Good men!

Mr. MacDonald: Right! Now each of these people is going to be placed in the position where, by the comment of the federation of agriculture itself, their function now is to administer government policy and to promote government policy. In other words, the grass roots farmers, particularly those who took a trimming in the hog battle and some other battles that have gone on in the province, asked themselves this question: is it possible for a man to accept a position on a government board, set up in this fashion, and not in effect become a servant of the government and thereby qualify his own impartial judgment?

I want to submit to the hon. Minister of Agriculture that there is no other conclusion to come to in light of the nature of the board and the warnings of a man like Mr. Justice Wells, who knows whereof he speaks, on the conflict involved in this kind of thing. Therefore, the hon. Minister should give some consideration to altering the setup of the Ontario Farm Products Marketing Board, because I do not think it is fair to men, who have acquired a respected position in farm organizations, and who accept such positions, feeling that they are going to continue to serve the agricultural community, only to be placed in the position where, wittingly or unwittingly, they must then become a faithful servant of government policy. That is the situation at the present time.

Now I leave that, Mr. Chairman, and turn to one final topic I want to speak about; and that is the government's handling of this farm machinery Act. The farm machinery situation is a very good illustration of the other side of the problem the farmers face, namely, costs. His income is tending to come down, while his costs are going up.

Agriculture expends approximately \$60 million a year on farm machinery in Canada; approximately 17 to 18 per cent of their capital requirements are invested in implements. As hon. members of the House who are familiar with the agriculture scene in rural Ontario know, there has been a growing and longstanding feeling of dissatisfaction with regard to the handling or, more particularly, the servicing and the provision of parts in the agricultural industry. In fact the surprising thing, Mr. Chairman, is not that we had a request from agriculture for a farm machinery Act, but that it did not come many years ago. A farm machinery Act has been in effect in the province of Saskatchewan—for they recognized the problems of the farmer and met them rather quickly, instead of belatedly—since away back in 1949.

There is no need for pioneering in this kind of Act. As was pointed out by some of the top officials of both the federation of agriculture and the farmers' union when they met with us on December 7, in the standing committee on agriculture, there are similar Acts in some 21 countries in the western world. We are not asking this government to pioneer, all we are asking this government to do is to quickly adapt legislation for which there is a great body of experience, elsewhere in Canada, and get the legislation into effect in the province of Ontario.

The request put to the government was in terms of urgency. This is an urgent problem. Now, Mr. Chairman, what those farm leaders did not realize is that the government had already tipped its hand that they were not going to act with any degree of urgency on this. In the last week of November, in this House, when the hon. Minister announced that he was calling the standing committee for December 7 to hear these representations from farm leaders, both federation and farmers' union, the hon. Prime Minister (Mr. Robarts) rose in his seat and said that he thought this was a very good procedure. He added that after we had heard the representations of the farm leaders, then we might set up a select committee to look into it more fully.

In other words, it was clear in the minds of the government, at least in the mind of the hon. Prime Minister, that he had a slow-paced approach to this problem and he was going to set up another select committee. On some occasions select committees are useful; on other occasions select committees are designed to postpone action on problems. I submit this was going to be one of them. However, when they came to the standing

committee on December 7 and made their representation—joint representations from farm leaders of the province, in the federation and the farmers' union—there were scenes that really should have been recorded for posterity. Because they no sooner had made their plea, and made it eloquently, than one of the key men in the stratagem of the Conservative Party, the hon. member for Lambton East (Mr. Janes), immediately sprang to his feet and moved that this issue should be sent to the hon. Minister for study.

Well, Mr. Chairman, I moved an amendment. I said that I was not objecting to study. There would be a minor degree of study required to adapt existing legislation elsewhere in Canada to the different conditions that we might have in the province of Ontario, or the legislation in other countries to the conditions here. But this is the kind of thing that clearly could have been done in six or eight weeks. So my amendment was the simple amendment that this committee should report by February so that the government would be in a position to respond to the plea of urgency from farm leaders and bring a farm machinery Act at the current session.

What happened, Mr. Chairman? I could not even get a seconder for my motion. In fact, the course of the discussion in the committee went something like this. After the hon. member for Lambton East had moved his motion, then that self-appointed hatchet boy for the hon. Prime Minister, the hon. member for London South (Mr. White) immediately got up and delivered a blistering attack on the whole proposition of a farm machinery Act. Here is where I would liked to have had the TV cameras! Here we had Gordon Greer, the man who was chairman of the policy-making committee—if they made any policy, which they did not at their recent leadership convention—the man who was chairman of the farm section of the policy-making committee, getting up and making an eloquent plea and listening to a fellow Conservative shooting down his proposals in flames. So much so that he indignantly got up at one point and handed Mr. White a sheet of paper upon which presumably he had the five principles of the Act written down, and he said: "Here. You are a little off."

That was the understatement for the day: he was a little off!

However, this really did not surprise me, coming from the Conservative ranks. What really puzzled me was what happened from the Liberal ranks. In the first place we had

the hon. member for Oxford (Mr. Innes) who is a spokesman from an agricultural area, getting up and parroting in precise terms the comment of the hon. member for Lambton East to the effect that we must go slow on this. In the second place, we had that arch-reactionary of the Liberal ranks, the hon. member for Fort William (Mr. Chapple), getting into a real tangle with Gordon Greer. Then finally, we had the hon. member for Bruce (Mr. Whicher), another agricultural area, seconding the Tory motion. So that the Liberal Party climbed right into bed with the Tories, just as it did in Weyburn—deliberately playing the game of the Tories in postponing any action on the urgent plea of the farmers. So once again, Mr. Chairman, we have this conflict within the Liberal Party, that talks about family farms and then has other voices on behalf of the business wing of the party, which is out killing family farms.

The suggestion, Mr. Chairman, the answer in general terms to the problems of agriculture today, is a planned economy. A planned economy in which agriculture will get, through the efforts of themselves through their self-help programme and the co-operation of governments, a fair share for the fruits of their labours. If the powers within the economy today are such that agriculture, with lower and lower bargaining strength, is not getting its fair share of the national income, then it becomes the responsibility of government—I admit primarily at the federal level—to make deficiency payments so that they will get a fair share. This we can only get through planned economic development. This, Mr. Chairman, brings me back to a point which I know will be sharply political and I do not know whether it can be said without great roars of protests from the other side—and that side too—that sooner or later they will have to make their choice as they see what happens to the family farm and what happens with the farm machinery Act and things of this nature. They will have to make their choice as to whether they are going to seek political partnership with the great mass of workers in this country to be found in the trade union movement, or whether they are going to find their political partners among the big business interests who have traditionally exploited them.

I submit to you, Mr. Chairman, that in the fullness of time, they will see that it will be in their self-interest to have that kind of a partnership with the industrial worker.

Mr. Chairman, I give you as living proof

that this can happen, two contrasting instances in recent history. When the CCF government was elected in Saskatchewan in 1944, a predominantly farm government, one of the first pieces of legislation they passed was what is still acknowledged as one of the finest labour relations Acts in the North American continent. They did it for a group of people who did not really represent a great force as votes.

There were, perhaps, at that time, no more than 15,000 labour voters in the whole of the province of Saskatchewan, because trade unionists were not great in number. But they gave it to these people because it is a fundamental right that any man in a free society should have the right to freedom of association, in the twentieth century, on the economic front—a principle that was first laid down in the Magna Carta away back in 1215 on the political front.

In other words, a predominantly farm government gave this kind of legislation to a small labour minority. In contrast to this, Mr. Chairman, and about the same period, in 1945, in Great Britain, a predominantly labour government was elected. They gave, through the planning of the economy of Great Britain, to a minority group, British farmers, a security such as British agriculture had never had in history. They gave it to them—

An hon. member: They are not in power now.

Mr. MacDonald: They will be again, never fret. This is the essence of a democracy.

They gave it to them because they were entitled to it as people who are entitled to a fair share of the fruits of their labour and not because of the fact that they represented a great number of votes. In other words, there is common ground and a working partnership possible among these two groups of workers on farms, in the factories, in the bush, in the mines. We can build policies that will meet their own needs and elect a government that will do it free from the sinister forces of the big interests which influence the Liberal and the Conservative parties.

I thank you, Mr. Chairman, if I cannot thank them, as I sit down.

Hon. Mr. Stewart: Mr. Chairman, I would like to proceed with the estimates, but I cannot let go unanswered the charges that have been made here this afternoon by my hon. friend from York South (Mr. MacDonald). If anyone in this honourable House,

Mr. Chairman, has any reason to wonder why his party lost the only rural member they had in either Ontario or Ottawa, I think we realize after listening this afternoon why that happened.

I can suggest this, Mr. Chairman, that if the hon. member's comments this afternoon are proven to be as directly and deliberately misleading next year as were the comments that he made last year when he talked about hog marketing in the province of Ontario, then I think we will prove beyond a shadow of a doubt that we have listened to a lot of hot air and nothing else this afternoon.

Mr. R. Gisborn (Wentworth East): What is the hon. Minister's answer?

Hon. Mr. Stewart: I will give the hon. member an answer if he will grant me the privilege of speaking just for a moment or two. I take exception to some of the aspersions that were made this afternoon and the inferences that are so typical of my hon. friend's way of doing things, when he referred to the fact that the Ontario Farm Products Marketing Board was, in effect, carrying out government policy at the instruction of the Minister.

Mr. MacDonald: I did not say at the instruction of the hon. Minister.

Hon. Mr. Stewart: Mr. Chairman, I want, as respectfully as I possibly can, to suggest to you this afternoon, and the hon. members of this House, that I do not know how we could have tried in the province of Ontario and succeeded in obtaining five men to succeed the members of the farm products marketing board who are as completely independent in their thinking and in their beliefs as are the five members of that board today.

Mr. MacDonald: What is the hon. Minister's comment on Mr. Justice Wells' remarks? Why does the hon. Minister not deal with the issues?

Hon. Mr. Stewart: Mr. Chairman, my hon. friend says deal with the issues. I feel that we are dealing with the issues and dealing with them in a very practical and down-to-earth way. We have appointed a board to deal with farm problems which is comprised of farm people themselves. Now, who understands farm policy any better than do the farmers themselves; and who understands conditions in agriculture any better than do the farm people themselves?

My hon. friend suggests that we did things that were out of order in taking men who

had gotten to the very top of this agricultural organization in this province. What men in this province had a better right to be members of the farm products marketing board than those same men?

Mr. MacDonald: Give them a job that does not have a conflict of functions, that is what I am after.

Hon. Mr. Stewart: Well, my hon. friend always likes—as the hon. Prime Minister (Mr. Frost) a year ago described him—to be throwing stones on the roof and shouting down the chimney of farm organizations across this province and deriding the farmers' opinions. I suggest, Mr. Chairman, that has never elected a rural representative and he never will have one as long as he leads his party.

Interjections by hon. members.

Hon. Mr. Stewart: I do not like to hear people stand up in this House, as my hon. friend has done this afternoon, and as he did at such great length last year when he went on for hours. It is interesting reading, if one does not believe what they have heard this afternoon, to read the things that he said, about the farm products marketing board and the top civil servants of our government, last year. Let me refer to just one instance here, among many, many instances that he referred to. He says here, on page 1136 of last year's *Hansard*:

The farm products marketing board, in its actions and in its role now, is off the rails, and the top civil servants are off the rails. This is a pretty bad wrecking of the situation.

He goes on to describe here on page 1135:

They have destroyed what was potentially one of the finest marketing schemes in this province.

Mr. MacDonald: That is right. Producer control of marketing has gone.

Hon. Mr. Stewart: We have the finest producer-controlled marketing plans working for hog producers that ever was developed within the confines of this province right today; and I would like to point out to my hon. friend, Mr. Chairman, that he has gone on record last year in this House in deliberately misleading the people of this House in so many ways, in trying to show that we were doing things that were in contravention to the interests of farm people. He declared that we were siding with the packers; that we were the packers' chums as he described us.

Let me point out to him that the plan of sale that has evolved out of the marketing controversies that raged for nearly three years in this province has now evolved itself into the finest marketing plan for hogs now in existence in the Dominion of Canada. I want to say, Mr. Chairman, that the success of this auction-selling method today is a tribute, that I can find no words to describe in sufficient eloquence, to my hon. predecessor in office.

Mr. MacDonald: Why does the hon. Minister not deal with the issue I raised?

Mr. K. Bryden (Woodbine): He has only dealt with personalities up to now.

Hon. Mr. Stewart: I am dealing with the issue the hon. member raised this afternoon, and I am pointing out the fallacy of his argument last year and the fallacy of his argument this year, because they are as comparable as can be.

Mr. MacDonald: Mr. Chairman, I rise on a question of privilege. At least three times the hon. Minister has risen and said that I deliberately misled this House and the people. He is imputing motives, and it is in violation of the rules of this House. Now, if he will deal with the issues I raised, instead of getting up and dealing with personalities and smearing, I will listen to him; otherwise I am going to interrupt him unless you are going to stop him violating the rules of the House.

Hon. Mr. Stewart: Mr. Chairman, if I have said that the hon. member has deliberately misled the House, then I am sorry that I have given that impression.

Mr. MacDonald: He did not give the impression—he said it.

Hon. Mr. Stewart: All the hon. member has to do, Mr. Chairman, is look through the records of *Hansard*; it is all printed here. If anyone doubts my word here it is; it is right there, and all I suggest is that the hon. member look at it and recognize it in the light of what he said last year and in the light of what he has said today; because certainly there is a great comparison in the way things have been said.

Last year he dealt for nearly two hours with hog marketing in the province of Ontario. This year it was hardly mentioned—hardly mentioned. I would like to say, Mr. Chairman, that hogs today in the province of Ontario are selling higher than they are on any market across this country for the

very fact, Mr. Chairman, that those men who were accused of being misled by my hon. friend last year are now going out across this country—they have gone as far as Alberta—telling the people of the western provinces of the success of our plan.

These are the people whom he held up last year, according to the records of *Hansard*, as being in opposition to any change in the marketing plan. This plan is successful, and we hope by what these people have told me who have gone across the country, and I have talked to these men and they say that there is tremendous interest in hog marketing, on the same basis that we have it in the province of Ontario today, right across Canada in every province.

Mr. MacDonald: Sure; and the hon. Minister is voting against a national farm board for hogs.

Hon. Mr. Stewart: My hon. friend has suggested that we are talking against a national plan. Might I point out that my predecessor in office, the hon. Mr. Goodfellow, established history in the Dominion of Canada by co-operating with The Department of Agriculture in Quebec in establishing an understanding of farm marketing that never existed before in this country.

Mr. Chairman, my hon. friend must surely forget that last fall, or I should say last winter, on January 4, the Deputy Minister of Agriculture for the province of Quebec and the parliamentary assistant to the Minister of Agriculture for the province of Quebec spent a day in my office and attended the annual meeting of the milk producers and cheese producers as head table guests. It was the first time that anything like this had happened in the history of this province.

When the hon. member suggests that this Tory party is opposed to interprovincial marketing, I think he should look at the records and the facts; he should be set straight before he misleads the House. I have no objection to national marketing plans whatever, absolutely none. The hon. member suggests this is the case at Ottawa—I do not know where he is quoting from because I never heard an inference of it at any time, never heard an inference.

Mr. MacDonald: I am quoting from *Hansard*; that is the official record.

Hon. Mr. Stewart: I suggest that interprovincial marketing plans are being contemplated, and also many phases of commodity marketing in this country which are applicable

to the individual provinces. And certainly, Mr. Chairman, when one listens to the kind of a diatribe that we have had this afternoon, one must recognize the circumstances under which they are stated and recognize the fact that this government has always stood for encouraging marketing, for the development of co-operatives, and for the fair treatment of Ontario's farmers; and it always will.

Mr. Bryden: Mr. Chairman, it would appear that the discussion of broad policies which opened this debate has now concluded, in view of the fact that the hon. Minister has seen fit to drag a discussion of policy matters down to a discussion of personalities and a straight personal diatribe. And under these circumstances, Mr. Chairman, I should like to proceed to one of the individual items that arises under the estimates of The Department of Agriculture.

The matter that I would like to raise relates to this department, although it is of concern primarily, I would think, to consumers rather than to agricultural producers. That is the issue of meat inspection, which was brought very forcibly to the attention of the people of the province only a few weeks ago when it was disclosed through the efforts of the Canadian Association of Consumers, the Food and Drug Directorate of the federal government, and the RCMP, that substantial quantities of tainted meat had been placed and apparently were regularly being placed on the market in Toronto, and no doubt in other centres throughout the province. The reaction of this government to that very startling and disturbing disclosure, in the first instance, was a typical reaction of evasion and complacency.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Chairman, on a point of order, we are on vote 101.

Mr. Chairman: The hon. member can raise this matter under vote 110.

Mr. Bryden: Which vote did you say, Mr. Chairman?

Mr. Chairman: Vote 110.

Mr. Bryden: Well, I am quite prepared to raise the matter at whatever opportunity you consider appropriate.

Mr. R. F. Nixon (Brant): Mr. Chairman, now that the philosophical guns have boomed on a discussion of the estimates of The Department of Agriculture, I have four questions I would like to direct to the hon. Minister. But before I do I feel I would be

in order in making a comment about the statement of the hon. leader of the New Democratic Party (Mr. MacDonald) with respect to a gentleman in Brant county who is respected by everyone there, that is Senator William Taylor, a well-known farmer; a well-known Member of Parliament; and for many years a Senator.

The report that the hon. leader of the New Democratic Party refers to, stated very clearly the Liberal position and the fact that the agricultural industry must be protected from the erosion of the large processing firms in their vertical integration programme. This principle was first clearly enunciated by my good friend, the hon. member for Grey South (Mr. Oliver), and has since then been picked up by the leaders of all other parties in this Legislature; and it was certainly brought fully to the attention of the people in Brant.

In this particular case, the newspaper report may not have been clear, Senator Taylor was replying to a rather insidious, spurious attack on the International Nickel Company, that had been brought before the public by the candidate for the New Democratic Party. Now we in the Liberal party are not socialists, and we are proud of this, and we feel the particular company under attack by the New Democratic Party was unfairly attacked; and while we feel that agriculture must be protected from the vertical integration of the food processing industry, that is no reason why we should condemn industry as such—as our crypto-socialists to the left seem to do.

Senator Taylor was being very consistent in his comments and I certainly agree with him wholeheartedly; I would like to say that I appreciated the support that he gave me at that time.

Now, Mr. Chairman, speaking through you to the hon. Minister of Agriculture (Mr. Stewart), I would like to ask him, under item No. 7, why it is that the Ontario Beef Pasture Improvement Committee required a \$6,000 grant from the department? I am not just sure of the procedure, sir, whether—that would be just a brief answer, I am sure, and I would like to go on following that.

Hon. Mr. Stewart: Well, Mr. Chairman, I can only say that this matter of beef pasture improvement—and I may not answer this correctly—but my assumption of it is that across the province of Ontario there were, I believe, five beef pasture farms that had been rented from the owners, in areas where beef cattle had been pastured and were being pastured in sizeable numbers.

Thought was given a good many years

ago to the improvement of these pasture areas. Farms were rented, there were scales set up on them, and the idea was to use them as demonstration farms as to how pasture could be improved. They would get a group of cattle and weigh them; they would divide the farm into areas of one, two or three sections; one of the sections would be left as a test plot with no treatment on it, another area would be fertilized, another area might be plowed up and re-seeded.

The cattle were weighed when they came on the first of May, or the beginning of the pasture season; their weights were recorded; they were recorded during the summer time and, of course, recorded again in the autumn when they were taken off grass. This would give some idea of the relative value of the improvement in the pasture, taking into consideration not only the improvement in the pasture but the costs of renovating it and the costs of fertilization.

This was carried on as a demonstration programme for the beef cattle industry in the province of Ontario, and has been under operation for some years.

Mr. Nixon: Was that controlled by the soil and crop improvement committee?

Hon. Mr. Stewart: It was operated, as I understand it, under the livestock branch—they really looked after it as far as the demonstration is concerned, but it is included in the main office vote. I think that is the indication.

Mr. Nixon: The second question, in a sense, may not be in perfect order, but it has to do with item No. 8, workmen's compensation, which I know refers to payments made from the department, I suppose, for compensation. But the hon. Minister did bring to our attention the tragedy of farm accidents that we read about frequently, and I am going to end in a moment or two by asking him if he has any practical plan whereby the benefits of workmen's compensation might be extended to the farm working population.

Now, this, at present, is economically almost beyond the ability of the ordinary farmer. The premium required for one hired man at a normal rate of payment is about \$162, and many farmers feel this is too expensive for them. It ends up, I feel, that in agriculture only the large farms, perhaps employed in some special type of farming or controlled by some large organization, can afford the premiums of this group within The Workmen's Compensation Act. This means that most private farmers are not covered, and I get the definite impression, in talking

to Workmen's Compensation Board inspectors, that they are not particularly interested in increasing the farm coverage.

Since the premiums seem to be almost prohibitively high and the Workmen's Compensation Board is not particularly interested in enrolling farmers, and since there is such a tragedy associated with farm accidents, I would ask the hon. Minister if there are any plans in his department or perhaps in The Department of Labour, for helping the farmers in this connection?

Hon. Mr. Stewart: Well, Mr. Chairman, the hon. member for Brant (Mr. Nixon) has raised an important question and I appreciate his interest in this, because I think all farm people are very much interested in this matter of workmen's compensation coverage for their farm help and for themselves.

I agree that the cost is very high today but perhaps the reason for it can be recognized in the fact that when this programme was first inaugurated in the province of Ontario the rate was 75 cents a hundred for workmen's compensation. It was brought in at the request of the Minister of Agriculture through the petition of the farm organizations in the province. I think the federation of agriculture had a lot to do with it.

The scheme was implemented and the losses were so high that the rates had to be raised as they went along. I think it goes to prove that the vocation in which you and I may be engaged as farm people is a very hazardous one, and for this reason the rates had to be set accordingly.

We have recognized that this is a high rate as far as farm people are concerned. The rate today is \$4.50 a hundred, and it all depends on the wages a man is paid, and includes his board, provision of house, and what have you. This is all included as the basis on which the assessment to the Workmen's Compensation Board is made. We have asked the farm organizations, the Federation of Agriculture, the Farmers' Union, to take a good look at this problem and to see if they have any ideas as to how this could be dealt with.

Frankly, we do not know how to approach this thing unless it is by giving a direct subsidy to the agricultural industry. Now, if this is the way, I suppose this is the way we should approach the problem, but it is difficult and I think we have to recognize this from a practical standpoint. If we say that we are going to do this for the agricultural industry, then we have literally scores of industries across the province who might say

to us: "Well, if you are going to do this for one segment of our economy, do it for all."

It is not an easy question, I must confess, sir, and I appreciate the hon. member bringing it to our attention.

Mr. Nixon: Under item No. 12, The Farm Labour Service is spending \$25,000. I wonder if the hon. Minister would tell us what this office does that the National Employment Service does not do? In connection with that we find in Brant County when farm help is required, the National Employment Service in Brantford has a special officer to deal with this and they deal with it very well.

Hon. Mr. Stewart: Mr. Chairman, in answer to the hon. member's question, the Ontario-Federal Provincial Farm Labour Committee co-operates with the National Employment Service in the active general farm labour programme. The committee's primary concern is in supplying labour in cash crop areas on a seasonable basis, where the number of workers in a local area does not meet the demand.

The placement of workers—if the hon. member might be interested in this—the Maritime workers brought to Ontario in 1961 was 274; in 1960, 310. Quebec workers brought to Ontario in 1961 was nil, and in 1960 it was 130. There are also many who come in from the United States to help here; I believe that in 1961 the provincial labour committee brought 3,133 workers into Ontario on a seasonal basis. I do not know how much further this service could be extended.

I wonder sometimes, thinking just as a farmer and not as a Minister, I wonder if, as farm people, we might be interested in asking our farm labour committee to explore the possibilities of bringing help from other provinces to the province of Ontario to act as year-round farm labour. I think there is a real need for such service in the province of Ontario.

I do not believe we in the province of Ontario have ever seen a year when farm help had been as hard to get as it has this year. I was talking to members of the national employment service in western Ontario and they told me there has never in their history of office been such a shortage of farm help as there is this year. I personally know several farmers who have married accommodation available ready for men to move into, but they cannot get experienced, reliable, help to fill those jobs today.

Mr. Nixon: Now, one last question, Mr. Chairman, and this is not covered by any

specific item in vote 101 but the hon. Minister himself raised the point in this connection; it has to do with the agricultural college at Guelph. In our discussions up there it became quite apparent that the staff of the agricultural college, as well as that of the veterinarian college and the MacDonald Institute, feel themselves somewhat hampered in that their degree-granting privileges stem from, and are fully directed by, the University of Toronto.

In this connection the university will not permit the Ontario Agricultural College to grant degrees above the level of master and because of this, the students up in Guelph, who wish to continue their education, particularly in research fields, must leave the country.

Also in this connection, since we do not offer doctor degrees at Guelph, we do not have the advantage of having agricultural scientists from other countries come to Guelph to complete or further their work, so that it works against us in two ways. Even in the MacDonald Institute the graduate work in household science, apparently, is hampered in this connection and they have their research workers, or the people who are doing advanced work in whatever they do there, canning and so on, they have them come under a part of the budget that is not exactly connected with the research section of the MacDonald Institute.

Now, the hon. Minister has already told us that by 1970, there will be 4,000, perhaps, at Guelph and in connection with this also there will be many more students at the other—

Mr. Chairman: I would like to point out to the hon. member this comes under vote 117. It has already been raised.

Mr. M. Belanger (Windsor-Sandwich): On vote 101, under item No. 4. Last Friday morning I asked the hon. Minister of Agriculture to name the members of the committee on vertical integration, and also the terms of the investigation. What were going to be the terms of the committee making the investigation? I would like to know from the hon. Minister whether these members are going to be paid, if they plan trips throughout the province, whether they are going to make a report which will be forthcoming to the hon. members, and whether this comes under this expense listed in connection with agricultural work?

Hon. Mr. Stewart: In answer to the hon. member's question, these men are paid out-

of-pocket expenses and whether they travel around the province or not will be entirely at their discretion. I am not sure what they intend to do.

Mr. Innes: Well, Mr. Chairman, will they be submitting a report before the House rises?

Hon. Mr. Stewart: My apologies, Mr. Chairman, I cannot hear the hon. member.

Mr. Innes: Will this board be bringing in a report before the House adjourns this present sitting?

Hon. Mr. Stewart: As I pointed out last week when this came before the orders of the day, I suggested that the committee had been asked to report before the middle of April and present an interim report if they were not ready to submit a final report. Now whether they will be ready to report then or not I do not know.

Mr. Innes: Has the hon. Minister impressed upon them that he would like to have a report sooner—let us put it that way. Vertical integration has been mentioned as a real threat and if the hon. Minister is going to move towards correcting it I think that he should move now and not leave it for another year.

Hon. Mr. Stewart: I appreciate the thoughts of the hon. member for Oxford (Mr. Innes). I pointed out to the House last week that this was a Minister's committee and it has been asked to report by the middle of April in writing and that still stands. Now, I do not know what more one can do than that.

Mr. Oliver: Mr. Chairman, before you carry vote 101, I want to say just a few words. The first is a word to the hon. Minister in presenting his first estimates in the House; I think he has done very well so far. It is unfortunate, of course, that in the language of the hon. Minister, borrowing one of the phrases that he used this afternoon, he said: "the tiredness of the evening hour." I was quite impressed with the impact of that phrase, because it is a bit unfortunate that this breath of fresh air comes to the government in agricultural matters in the tiredness of the evening hour. It is a bit unfortunate that we did not have that breath of fresh air before we got to the place where we say: "the tiredness of the evening hour."

The hon. Minister, of course, is a new man in the department in an old government; and no matter what he does to try to rectify the sins of the past or to improve the

pattern of his predecessors, no matter what he does, he will not get any credit for it; because people have the habit, and I think it is a very good habit, of saying: "You have had the chance now for 20 years, and anything you do now will be viewed as death-bed repentance and coming too little and too late." In that unfortunate position, I am sure the hon. Minister will do well in carrying the ball.

I just wanted to say this to the hon. Minister, in respect to this vertical integration that has been talked so much about. I had no idea, when I spoke on this last fall, that I would arouse by that speech such wide public interest. That the speech was followed by interest was manifest by the hon. Minister of Agriculture.

I remember, in the by-election in Brant, he became quite concerned about the problem that was set up by integration, vertical integration, and he promised to do something about it. Now, I am not so surprised at the hon. Minister recognizing that this was a problem; but when I heard the hon. member for York South (Mr. MacDonald) this afternoon also getting on the band wagon and saying that it is a problem, it is, I think, the unanimous opinion of all that here is a real problem.

Then, I think I should point out to the hon. member for York South, I do not know how eloquent he could become if he rose to speak on a subject of which he had some knowledge. This afternoon, you would almost be sure that the callouses on his hands were put there by hanging too tightly to the plow handle, and you would swear that he had thorough knowledge of all the intricate problems of agriculture.

I would say to the hon. member in reference to what he said—my hon. friend says: "Deal with the issues"—I am on this item here which says investigations into agricultural conditions. My hon. friend says: "Deal with the issues". He did not deal with the issues this afternoon. In the first place he has mixed up the attitude of the Liberal Party with respect to vertical integration, and that is the subject of one of these investigations. When he called into question the statement of Senator Taylor, I think, Mr. Chairman, my hon. friend was really digging pretty deep.

Mr. MacDonald: I was just quoting from the Brantford newspaper.

Mr. Oliver: No; what my hon. friend was doing was this: he was talking about the hon. member for Brant's (Mr. Nixon's) excellent

statement of Liberal Party policy in respect to this matter. He wanted that to stand not alone; he wanted it to be assailed by the statement of some other Liberal if he could find one, and so he looked around and found the name of Senator Taylor. The only unfortunate part of my hon. friend's remarks was that he knew when he spoke this afternoon that Senator Taylor was not talking about vertical integration at all; that that was on a completely different subject and bore no relationship whatever—

Interjections by hon. members.

Mr. MacDonald: Mr. Chairman, I rise on a question of privilege.

Mr. Chairman, the hon. member has said that I knew what Senator Taylor was speaking about. I was not at the meeting; I have not a clue as to what Senator Taylor was—

Interjections by hon. members.

Mr. MacDonald: I was quoting what the Brantford *Expositor* quoted Senator Taylor as saying and that is the only basis upon which I could make my observation.

Mr. Oliver: Now, Mr. Chairman, let me say this: if that was his authority for saying that Senator Taylor was talking about International Nickel, then I defy my hon. friend to tell me how International Nickel had anything to do with vertical integration.

Interjections by hon. members.

Mr. MacDonald: Mr. Chairman, I rise on a question of privilege. The hon. member has stated that the Brantford *Expositor* declaimed that Senator Taylor was talking about International Nickel. He is in error.

Mr. Oliver: He was talking about International Nickel.

Mr. MacDonald: The Brantford *Expositor* makes no mention of Senator Taylor talking about International Nickel. Now, let us deal with the facts of the situation.

Mr. Oliver: Yes. Well, the facts are he was talking about International Nickel.

Now, Mr. Chairman, I want to deal with the investigations into agricultural conditions, and this has to do with my hon. friend's committee to investigate vertical integration.

I said in the House the other day, speaking before the orders of the day, that my hon. friend is just waving a small banner in respect to his desire to cope with the problem of vertical integration. In the first place he

appoints the committee and he says to that committee: "You are my committee. You are a ministerial committee. You report to me, you will not report to the House."

Mr. MacDonald: I said that yesterday.

Mr. Oliver: Well, the hon. member said a lot of things today that I said six months ago.

"You are not to report to the House, you are to report to me." Now, I suggest to the hon. Minister that is not a frontal attack on the problem of vertical integration. That is a miniature, a hesitant, approach to this great problem of vertical integration.

Then he also says to the committee: "Do not bother about examining the whole field, just take fruits and vegetables". Well now, Mr. Chairman—

Hon. Mr. Stewart: To start with!

Mr. Oliver: To start with! But those are the ones he says, fruits and vegetables, to start with.

There is a lot more involved in this problem, as the hon. Minister knows, than fruits and vegetables. That indicates to me that the hon. Minister is just playing with this problem, just as the Tories have done for decades. They appoint committees to get themselves over holes in the road. That is just what he is doing in this case.

I have not any faith in the hon. Minister's committee nor what will emanate from it. I have not any faith in the Tory party, actually, to do a job in respect to this problem, so I guess it is natural that I would not have any faith in the committee.

Hon. Mr. Stewart: There are some pretty good men on that committee.

Mr. MacDonald: The hon. member is casting aspersions on men of integrity.

Mr. Oliver: I do not know whether he is defending or condemning. That is beyond me.

Mr. MacDonald: There is a lot that the hon. member does not know.

Mr. Oliver: Well, there is nothing that the hon. member thinks he does not know.

I want to point out that there is one more thing, and I think it falls under the head of investigations into agricultural organizations. That has to do with the vertical integration as we see it practised in this province.

Now, it not only affects fruits and vegetables, it affects livestock, as my hon. friend quite well knows. With cattle, for instance, Canada Packers and the other big packaging concerns will put out thousands of cattle into the country. They bring those cattle back after they have been fattened—on their own land or on leased land—they bring these cattle to the Toronto stockyards in competition with cattle raised by individual farmers. Now that, to my mind, is vertical integration.

As I said before, and I say this again, we still have time to save the farm for the farmer. But unless we move with dispatch, as surely as we sit in this House this afternoon, if we allow the ordinary processes that are presently in operation to reach the ultimate goal, we will have the farmers in this province not as individual self-reliant farmers, but as peasants and as slaves.

Nobody wants that condition! Yet we are racing towards it, as fast as ever we can. We are racing towards it, and I am sure in my own mind that this can be controlled. I think the basic essential in the whole thing is this: to recognize that processors are processors. They are not growers of the product, they are processors of the product. Let them stay in their own field, and in so far as they have gone out of their field, bring them back. That is the problem that the Liberal Party will undertake to solve and to correct in this province.

Hon. Mr. Stewart: Mr. Chairman, it is always a joy to me to listen to the oratorical eloquence of my hon. friend, the member for Grey South (Mr. Oliver). I have appreciated this as long as I have sat in this House, and even before. I would like to point out to my hon. friend, and to those he represents on his side of the House, that we believe that when we have designated vegetables as the project that must receive the most immediate and closest attention of this committee that we have appointed, that from their deliberations we might conclude that what they would find would be a solution applicable to other sources of vertical integration. The principle of vertical integration is really the same, as my hon. friend has so well pointed out, regardless of whether it applies to vegetables or to fruit, or whether it applies to other sources of agricultural commodities.

I suggest, Mr. Chairman, that it hurts me no little to have the hon. member for Grey South suggest that he has no faith in the men, whom we feel are outstanding men in their field in the province of Ontario, that have been appointed to this committee.

Mr. R. C. Edwards (Wentworth): Might I ask the hon. Minister a question relative to this matter? Would he advise the House of the estimated cost to this government as a result of the setting up of this vertical integration committee. How much does he anticipate it will cost?

Hon. Mr. Stewart: Mr. Chairman, I think we are all, as farm people—and those of us who may not be farm people but are interested in matters pertaining to agriculture because we know it affects the entire economy of the province—we can hardly say what the cost would be or even give an estimate. We feel that if we are as genuinely interested in this problem of vertical integration as this government has indicated that it is in appointing this committee, that we will spend money to find out the answer. I am sure that our hon. friends opposite would not criticize us for doing it.

Mr. R. C. Edwards: Mr. Chairman, I appreciate that answer very much on the part of the hon. Minister, because I think we feel the same way about it on this side of the House. The reason I raised the question was on a matter of principle. We are dealing today with estimates, and this is the expenditure of the taxpayers' money. I am not an agricultural man, but I am concerned with the principle when an hon. Minister comes to the House and advises us that this money will be spent, the taxpayers' funds, to provide the hon. Minister alone with information.

I suggest to the hon. Minister that this might be made available to all hon. members of the House so that all hon. members would be in a position to determine whether or not the subsequent policies of the government are in the best interests of the farmers of Ontario. Mr. Chairman, this is becoming a habit on that side of the House. If the hon. Minister is as interested as he claims to be in protecting the farmers of Ontario, one would think he would make this information available to the elected hon. members of this assembly to determine whether or not such is the case.

Mr. J. P. Spence (Kent East): Mr. Chairman, I might say that I appreciate what the hon. Minister said in his remarks this afternoon in regard to the study group that went to England and on the results. I also appreciate hearing of the setting up of a committee to study vertical integration. For today in the province of Ontario, I think there is one very important point that we should not overlook and that is losing our markets right here at home—our domestic markets.

Now as an illustration, I would like to

bring to the attention of the hon. Minister that our breweries in this province are using rice. A number of years ago, we were able to sell barley, rye, corn, in large quantities. But today, our breweries are using rice as a substitute to some of these grains. That is some of the market that we are losing, and I think the hon. Minister of Agriculture should give that careful study too, along with vertical integration. I think we can develop a lot of good information if more study was made on these domestic markets that we have right at home being lost.

Vote 101 agreed to.

On vote 102:

Hon. Mr. Stewart: I may say that in my capacity, I cannot really say whether or not rice would be a satisfactory product in the brewing industry. This is a question that I recognize the hon. member is serious about and that it does not concern him. I can assure him that we are concerned about any product coming into this country that supplants any product that is grown in Ontario.

Mr. Nixon: On vote 102, I would like to ask the hon. Minister about The Community Centres Act, for which \$315,000 has been set aside. Does this mean that the aid is given to communities which wish to build halls and also introduce, let us say, sports programmes; or is it just for the building?

Hon. Mr. Stewart: Mr. Chairman, the grant is based on the capital cost of the building. Up to 25 per cent of the capital cost, with a maximum of \$5,000.

Mr. Nixon: Mr. Chairman, I quote from the famous *Brantford Expositor* of February 10, 1962:

In a letter to Oliver Smith, principal of No. 8 School on the Six Nations Indian Reserve, G. R. Begg, assistant director of the branch, said "Grants are only available to organized municipalities or school boards."

Now, in this connection, the Indians were applying for some help in the building of a community hall at Sour Springs, I guess it was a renovation. The stated reason the grant was not given was that it was because this is in the Six Nations Indian Reserve. Perhaps that is all right as far as vote 102, item No. 10 is concerned.

I notice over the page on vote 104, item No. 5, that \$200,000 is set aside for unorganized districts which, I suppose, applies to the northern parts of the province. But the fact

remains that no government money was found to aid the Sour Springs community hall.

This is an attempt by the Indians in that area to improve their community facilities. They are well-known athletes, in this connection as well, and they were given no thought that any government money would be found to aid them in their community efforts. I feel the whole policy of the government is outdated as far as aid to the Indians is concerned. If the hon. Minister is going to go all the way and say: "They do not pay taxes, therefore, they do not get anything back," he should state that policy, or if he is going to give them the aid that any Canadian citizen or citizen of Ontario might expect from the government, this should be forthcoming, because I believe they do get a grant for the Indian Fair. I certainly know that The Department of Highways is building them a road. I will be asking the department later whether or not they intend to help with the upkeep of this road.

But they do not get money from this particular vote. They do not get money for the restocking of the area with fish and game. The bookmobile, which I mentioned earlier in the session, from The Department of Education is not available. But in this particular connection, I want to know why they did not get a grant for the Sour Springs community hall.

Hon. Mr. Stewart: Mr. Chairman, may I thank the hon. member for bringing this matter to our attention. As a matter of fact, I did not know they had not been given a grant or if they had ever made application. But this is something in which I expect the assistant director of the branch is simply going by the terms of the Act as it was set out. I do not think we can be critical of his interpretation of it. This is a matter, as far as Indian reserves are concerned, which would, I believe, be dealt with federally under Indian Affairs.

However, this is a matter which I feel we should take under consideration and give some thought. I think the hon. member has raised a very good point and we shall give it some consideration.

Mr. Spence: Mr. Chairman, I wish to ask the hon. Minister, since we are on this subject of committees, I believe there was a committee set up in 1959, the Ontario agricultural inquiry committee, and they brought in their report June last. I might say I would like to ask the hon. Minister what was the cost of that report.

I do not know whether he is going to use

any of the information that was brought down in that report. It is somewhat confusing to some of us in agriculture. I might say that it certainly paints not a very bright picture for agriculture in certain places in the direction that we are going.

I would like to hear a few words from the hon. Minister on his views of that report.

Hon. Mr. Stewart: Mr. Chairman, the answer to the first part of the question is that the report cost, I believe, \$112,000. As yet there has been no decision reached on the printing of it, but it will be given consideration.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, referring to item No. 10, grants under The Community Centres Act, we all know that the ethnic people throughout the province of Ontario have been very active so far as community centres are concerned, and primarily their own type of community centres. Would these people be entitled to a grant under this Act?

Hon. Mr. Stewart: Mr. Chairman, my understanding of the Act—and I hope you appreciate the fact that I am not acquainted with all of the Acts—but my interpretation would be this: that The Community Centres Act would apply to any group of people who establish a community centre providing that community centre was really in the ownership of the municipality or district in which it was located. That is the basis upon which the grants are made.

So that, in effect, if a group of people, with the best of intentions today, decided to build or establish a community centre and they passed out of the picture, for one reason or another, as the years passed by, there would be really no ownership or basis of management to carry it on. But when it is established under The Community Centres Act, it becomes part and parcel of the municipality in which it is located.

Mr. MacDonald: If I may return to the second last question of the hon. member with regard to the agriculture committee of inquiry. One member of that committee of inquiry was reported as stating there had been a commitment from the hon. Minister's predecessor for the publishing of the report and that copies were not now available in quantity because of the great interest in the report. Can the hon. Minister state whether it is his view that there was a commitment made, because I was rather intrigued by his comment that he has not yet made up his mind whether he is going to print it?

Hon. Mr. Stewart: Mr. Chairman, as far as I am concerned I have no knowledge that any commitment was made by anyone for anything. The report has been published, it has been mimeographed, it has been put together and compiled and it certainly is public knowledge. It is widespread across the country. I do not know to what the hon. member is referring.

Mr. MacDonald: I just do not have the clipping here, but I think the hon. Minister knows that one member of the committee made this statement publicly. I am sure the Deputy does if he—

Hon. Mr. Stewart: I am sorry, I have no knowledge of it.

Mr. L. Quilty (Renfrew South): Under vote 102, section No. 10, I would like to ask the hon. Minister of Agriculture if there is a definite date for the payment of grants under The Community Centres Act, and, if not, are these grants always paid in the period January 1 to January 18 as they were in Renfrew South during the by-election campaign?

I would also like to add that these grants are very necessary in Renfrew South and we appreciate them very much.

Hon. Mr. Stewart: Well, Mr. Chairman, first of all I would like to ask the hon. member for Renfrew South—on whose election I congratulate him—if he is against the fact of receiving grants for Renfrew South? That having been determined, let me say this: the grants are paid at any date of the year as far as I know, whenever they qualify for the date.

Mr. MacDonald: Particularly before an election.

Hon. Mr. Stewart: Well, I cannot think of a better time to pay a grant if it is necessary to pay it but, notwithstanding that, may I suggest this: that we have paid grants across this province in areas, and by signed cheques that went out the same day in the same mail, to areas of the province of Ontario—besides to Renfrew South—where there was no election whatever.

Vote 102 agreed to.

On vote 103:

Mr. Quilty: In answer to the question from the hon. Minister I would like to say that my closing remarks were that we very much appreciate these grants in Renfrew South and they were very necessary. If he had followed

my remarks, he would not have had to ask the question.

Mr. P. Manley (Stormont): Under vote 103 I would like to ask the hon. Minister: how many dairy instructors have we in the province of Ontario?

Hon. Mr. Stewart: Well, our dairy instruction staff here apparently is 44 all told. Is this what the hon. member is asking for—dairy instruction?

Mr. Manley: Yes.

Hon. Mr. Stewart: I am not sure whether that includes the inspectors as well as the instructors. I am advised that includes the instructors as well as the inspectors working under the dairy instructors, the dairy branch, a total of 44 all told.

Mr. Manley: Well, Mr. Chairman, when can we get a distinction between the work of the inspectors and the instructors?

Hon. Mr. Stewart: Well, as far as I can determine, there has been no distinction made; they are all field men and they operate under our office in that regard. I do not think there is any distinction made. They are all called field men.

Mr. Manley: Well, why in the estimates of the hon. Minister here, are there instructors and inspectors?

Hon. Mr. Stewart: Well, I think we could best describe that as saying that that is wording that should be brought up to date because they are one and the same person. And I see no difference. I appreciate the concern of the hon. member about it and I can see his point. As far as I understand, it is all one and the same person.

Mr. Manley: Might the hon. Minister permit another question? Does he think that 44, Mr. Chairman, is sufficient staff to look after the inspection work and the field work that is being done by the inspectors in the province at the present time? For the good of the industry?

Hon. Mr. Stewart: Well, I would say matters of opinion such as that are relative to the individual's opinion on the subject under consideration. The hon. member might feel it was not enough, we might feel that it was, and on the other hand he might feel there were far too many and we might feel there were insufficient. I think it is a matter of relative considerations.

Mr. Manley: I do not think it answers my question, Mr. Chairman. I was asking the hon. Minister what he felt; if he felt that there were sufficient inspectors? It was not my opinion; I will give my opinion after I get the answer.

An hon. member: He is still waiting.

Mr. Manley: Mr. Chairman, is the hon. Minister going to answer me?

Hon. Mr. Stewart: I did answer the hon. member.

Mr. Manley: No. I asked the question: does the hon. Minister think there are sufficient inspectors to look after the work in the province?

Hon. Mr. Stewart: And I answered the hon. member's question, Mr. Chairman. As I say it is a matter of relative importance. I have always felt in this House that, regardless of what decision the government made, they would decide that some other decision was the one that should have been made.

Mr. Wintermeyer: Oh, no.

Hon. Mr. Stewart: And if we were to say there were enough inspectors, obviously he would say there were not enough temporarily. I would be interested in knowing what the hon. member has to say; this is what we are doing.

Mr. Manley: Mr. Chairman, a year ago I believe, the hon. Minister in this House, and we were dealing with the estimates of the hon. Minister at that time, did say that the department was going all out to try to improve the quality of milk across this province, and I think that the department has done quite a lot along those lines.

I remember, and I want to refer to the cheese industry particularly in this province, that we had some difficulty in regard to grade of the cheese. I think the cheese producers themselves have made it quite clear to the department and to this government that they were ready for farm inspection and for a general betterment of conditions as far as producing milk was concerned in this province. The cheese industry just got under way last spring, when the instructors were taken out of the cheese factories and were sent into other plants in this province and thereby neglected the cheese industry.

I say, if there are enough inspectors, then there should be inspectors who could cope with the other branches as well as with the

cheese industry. I might say that we are proud, in Ontario, of the type of cheese we are producing, but we have to be on the alert at all times and produce as good a quality as we possibly can if we are going to hold the market which we are endeavouring to gain and maintain at the present time.

I wanted to say to the hon. Minister that this, I think, was something that certainly was due to the neglect of the department—when they had to take the instructors from the cheese factories and put them into the condensaries and other branches of the industry. I would like the hon. Minister to comment on that particular aspect of his department, since I was of the opinion that that particular move on the part of the department was not correct in that instance.

I want to say, as I said earlier, that we are very proud of our cheese industry; I want to say that the county which I come from produces about 8 per cent of the cheese that is manufactured in the province of Ontario and we are very proud of the quality of cheese that is produced in Stormont.

It is known that the makers in that particular county have won many prizes locally; they have won prizes abroad. And we thought the department was doing them a disservice whenever the instructors were pulled out of the cheese plants in that part of the province and put into other fields last spring.

Hon. Mr. Stewart: Well, Mr. Chairman, my comment would be that we in The Department of Agriculture appreciate the quality of the programme as far as the dairy industry is concerned, and its necessity, as much as anyone. The department reorganized the inspection districts to try to make it as easily handled by the instructors and inspectors that were available as could possibly be done. And I would like also to point out to the hon. member that at the session last fall and the beginning of this session now, amendments were passed to Bill No. 48, amendments to The Milk Industry Act, which now enable the making of regulations providing for the collecting of fees payable for the weighing, grading, sampling and testing of milk and cream on an industry basis.

This may make it—if the industry feels that is what we need—possible to have more inspectors, more instructors, then I would feel that we could go along with this method. This is already a method which is operating in the vegetable marketing picture—we have tomato inspection going on and paid for on that type of industry basis, with the producer and

processor each contributing an equal amount towards the inspection service. This makes it applicable in the dairy industry.

Mr. Manley: Mr. Chairman, the hon. Minister has just brought up a very important point here. I did not know that I would have the opportunity to discuss it under this particular vote but he did mention about testing of milk.

Now that is one of the biggest bones of contention, I think, in the milk industry today; and we see it in all different phases of the industry and particularly in the cheese-making industry in this province. We know that there is great competition among plant owners and, I think, the biggest complaint among the producers today in the province—and this goes right across the board, I think—is the testing of milk. The herd improvement, the ROP testing—and records are kept of both of those—never compare favourably with the test at the plants.

I think that why we get so many farmers switching from plant to plant in the province at the present time is the fact that they are not satisfied with the tests they are getting at their particular plant. Farmers do have a tendency to move around when their test gets low and, in 9 cases out of 10, when they go to another plant, their milk goes up in test 3 or 4 points. I am not accusing any operator of not giving a fair test; maybe the test would have gone up anyhow but still it is the complaint that I hear all over my part of the province—that something should be done about the testing of milk.

Possibly it is something that the department should look at, rather than have the owner of a plant or the man engaged in the company to do the testing of the milk coming into that particular plant. I think that the farmers, possibly, would go so far as to pay something towards the testing of milk if we could get someone, some department, to do the testing in the various plants. It would take away the suspicion that is in the minds of the producer; it will make for better relationship between plants, and I think that it would be making a worthy contribution to the producers of this province to know that an independent person, or a representative of the department, would be doing the testing in those plants across the province.

Hon. Mr. Stewart: Mr. Chairman, I would like to thank the hon. member for his comments on this. I think he has struck on a point which has been a problem as long as milk has been sold. Every farmer has heard the things that he has said many times

over; we have all been concerned about it. I am particularly interested to notice that the hon. member suggests a participating plan for the independent testing of milk; perhaps this is the real answer and this amendment to The Milk Industry Act will probably be the nearest solution to it that we have ever had.

Mr. Innes: Mr. Chairman, as you know, in the amendment to The Milk Industry Act the milk board had the opportunity to change the differential in the province and make it province-wide. Would the hon. Minister like to comment as to whether the board has recommended a change in the fat differential throughout the province? And if they have, what is that differential?

Hon. Mr. Stewart: I have seen or heard no public announcement by the milk industry board relative to the problem the hon. member raised.

Mr. Innes: Could the hon. Minister give me the names of the people on the milk industry board at the moment, the names of the personnel?

Hon. Mr. Stewart: Yes. It is composed of His Honour, Judge Currey, Mr. Gordon Greer and Mr. George McKague.

Mr. Innes: Could the hon. Minister tell me if that Mr. Gordon Greer is the same gentleman who was chairman of the Conservative policy committee on agriculture at the convention?

Mr. MacDonald: Also on the Ontario Farm Products Marketing Board.

Hon. Mr. Stewart: Mr. Chairman, if the hon. member is interested in the personal history of Mr. Greer, I suggest he get in touch with him.

Mr. Innes: I just wanted to know if he is the same man, and if he could tell me if he is on any other government board.

Hon. Mr. Stewart: He is a former president of the federation of agriculture in the province of Ontario, he has been an outstanding dairyman in the province of Ontario and I believe he was president of his own local milk producers organization and he is a member of the farm products marketing board.

Mr. MacDonald: And a defeated Tory candidate in Carleton!

Hon. Mr. Stewart: No, he was not; he never ran.

Mr. Innes: Mr. Chairman, there is something else I should like to ask the hon. Minister and that is what steps have currently been made by his research department in determining the method of measuring solids, not fat, in milk. As he knows, great strides have been made in several of the States of the union and they are currently selling a solids, not fat, milk which goes by the common name of 2-10 formula. I would like to know if definite strides and if some real conclusions have been made by their department. I had thought the former hon. Minister two years ago and again last year said they were still working on it. I just wonder if they are still working on it.

Hon. Mr. Stewart: Mr. Chairman, in answer to the hon. member's question, the interim report on the investigation or study or survey, whatever he wants to call it, has just reached my desk and as a matter of fact I have not had a chance to look at it yet.

Mr. Belanger: Under vote 103, item No. 4, I see that The Oleomargarine Act comes under that. I was just wondering whether the hon. Minister contemplates any changes to the Act during this session.

Hon. Mr. Stewart: I fail to see how this has anything to do with the estimates, Mr. Chairman.

Mr. Innes: Mr. Chairman, I would like to ask the hon. Minister at what stage of negotiation his department and the 4 different milk groups are at on an overall milk marketing plan for the province of Ontario. What stage they are currently at, and I would like some comment by him on it, if he could. This is most important to the whole dairy industry of the province of Ontario and not one word has been mentioned about it today.

Hon. Mr. Stewart: Mr. Chairman, this is a subject that we could discuss at very great length.

Mr. Innes: Let us have a word about it.

Hon. Mr. Stewart: This is an important problem, there is no question or doubt about this. We have asked the four dairy groups, as the hon. member suggested, to come together and discuss the matter of a milk marketing plan for the province of Ontario. This has been done. They have met with the farm products marketing board, and the farm products marketing board, after meeting with them and helping them to appreciate the regulations under which they could establish

the marketing plan and the terms of the marketing Act, withdrew from their deliberations. They have set up, as I understand it, a provisional committee to carry on and try to work out a marketing plan that could be presented for a vote.

As I had hoped to point out to the hon. member, we have no knowledge what status it is at today. This is something that the milk groups are working out among themselves. We initiated the initial meeting, bringing them together, but we feel this is something that they must work out among themselves.

Mr. Innes: Did the hon. Minister not intimate in one of his early speeches in the Royal York to the milk groups that the vote would be held this year?

Hon. Mr. Stewart: I did not. I do not want the hon. member to leave that impression.

Mr. Innes: That is why I asked the hon. Minister. I did not say he did, I asked if he did.

Hon. Mr. Stewart: Mr. Chairman, the hon. member was there and he heard what was said; we asked the groups to come together and try to work out some sort of a plan that they could present to the dairy groups of the province of Ontario and we suggested that it would be well to have it in 1962 because certainly I know there is no one in this assembly who is more aware of the dairy situation than is my hon. friend. I feel that it is something we should deal with as soon as possible.

Mr. Belanger: Mr. Chairman, I asked a question a little while ago and the hon. Minister said it did not come under these estimates. It comes under his department and I would just like to know when I should ask that question.

Hon. Mr. Stewart: Mr. Chairman, might I point out that the hon. member will be guided in what action we take by the bills that are introduced into the Legislature for discussion.

Mr. Manley: Mr. Chairman, I see an item in public accounts here: automobile insurance, accounts transferred to The Department of Highways, \$18,471. Is that insurance on cars owned by the department, or what is that?

Hon. Mr. Stewart: Whereabouts is the hon. member getting that? What vote is that in?

Mr. Manley: In the public accounts, The Department of Agriculture public accounts.

Hon. Mr. Stewart: I am told by the hon. Provincial Treasurer (Mr. Allan), that this is paid by The Department of Highways, on insurance on The Department of Agriculture's cars and vehicles.

Mr. Manley: It is on cars owned by the department?

Hon. Mr. Stewart: Yes.

Mr. Manley: Could the hon. Minister tell us who insures those cars, or how many companies? Or the agents' names?

Hon. Mr. Stewart: I have no idea who has the insurance. It is done through The Department of Highways, but I cannot tell the hon. member who has the insurance.

Mr. Manley: Well, Mr. Chairman, it is in the public accounts here: \$18,471 has been paid by The Department of Agriculture, and surely we should know how many cars are involved and what companies are getting the insurance or what the names of the agents are. I think that we should be able to obtain that information through the public accounts.

Hon. Mr. Stewart: Mr. Chairman, I will be very, very glad to. I can tell the hon. member this: the total number of motor vehicles in The Department of Agriculture are 241, with 25 trailers making 266 total vehicles. We can find out who carries the insurance. It is carried, as I say through The Department of Highways. We simply pay the account that is submitted by The Department of Highways to us. They carry all the insurance, as I understand it, on all of the vehicles owned by all the various departments of the government. That is something that can be determined. My friend, the chief accountant of the department, feels that it is Dominion General Insurance.

Mr. Manley: Can we have some assurance here that we can get this when The Department of Highways estimates are up?

Hon. Mr. Macaulay: If it belongs in the estimates of The Department of Highways—

Mr. Manley: Well, it is an item that has appeared in the estimates and that is why I raised it here. But can we get the information then when The Department of Highways estimates are up?

Mr. R. C. Edwards: One question I should like to ask. What limits of insurance do we carry on these vehicles?

Hon. Mr. Macaulay: Mr. Chairman, on a point of order, there is not much point in going from one vote to another if we are going to go back to all of these votes. Now this basically is covered under the ordinary expenditures, main office, vote 101. As the hon. member now realizes, this is a question he could have asked under that and we have passed to vote 103. However, the matter is available to him under the estimates of The Department of Highways. Perhaps if he would wait until that time, he would have his answer.

Mr. Spence: Mr. Chairman, I would like to ask the hon. Minister a question in regard to the milk industry board. How many hearings were there last year and how many convictions, if there were any?

Hon. Mr. Stewart: If the hon. member would table that question, we will be happy to provide the answer for him.

Vote 103 agreed to.

On vote 104:

Mr. W. E. Johnston (Carleton): Mr. Chairman, for some time I have felt that the department does not get nearly enough credit for the work that is done. Because that is true, Mr. Chairman, I would like to put on record here some of the work that is done in my own riding.

I would like to first of all start off with that of the junior department. An extensive and well planned programme of 4-H work for both boys and girls has been carried on for many years. In 1961 there were 22 4-H agriculture clubs with 275 individual members, operated under the direction of the assistant agricultural representative, Mr. Roger A. Thompson; and 20 4-H homemaking clubs with 207 girls under the direction of a Miss Ruth Shaver, county home economist.

Many of the leading farmers in the county are former junior club members. Carleton has taken a lead in the organizing of voluntary help through local leaders and was the first in Canada to come up with a county club leaders' association.

Work with junior farmers is also carried on. Good co-operation and assistance is given junior work by agricultural societies, other agricultural organizations and by the Kiwanis club.

Now in the senior field, the county is well served by agricultural societies. We have three Class B fairs as well as one Class A, the Central Canada Exhibition Association

and the Ottawa Winter Fair. The county is also well served by livestock clubs for breed groups and by the Eastern Ontario Cattle Breeding Association for artificial breeding units, by the county soil and crop improvement association and by the Ottawa Valley Seed Growers Association.

There are 28 women's institutes in the county, four rural horticultural societies. The county federation of agriculture is active and the Ottawa Milk Producers Association serves the whole of the milk shippers, of whom we have 400. Other agricultural commodity groups also exist. Extensive work is carried on to a greater or lesser extent through all of these groups.

If a special project is being undertaken co-operation can always be counted on by the organization closest to the picture.

In soil and crop improvement work, the local association is active and the Ottawa Valley Seed Growers Association has been an important factor, for many years encouraging farmers to be up to date in varieties and in methods.

I come now to one that I feel is of great importance, and perhaps one that is not carried on too extensively throughout other parts of the province. Some hon. members here may remember that in 1945 or 1946 the late Thomas Kennedy, then the Minister of Agriculture, organized what is known as county agricultural committees. Many of these committees, I believe, functioned for a while and many ceased to function. Ours, by the way, continued to function. It later became involved in drainage and land improvement work.

This programme has carried on for some 12 years and may I say, Mr. Chairman, to the hon. members, that we were only able to carry on this programme because of the assistance given by this Department of Agriculture. We went to our county agricultural committee of county council and received a grant of \$2,000 from them for this work. This grant was matched by the province.

Now I want hon. members to note what we have been able to do. In 1960 the total work accomplished on 119 farms was as follows, all with only \$4,000: 22 miles of open ditching, the average of 60 rods per farm; 8 miles of fence row removed; average of 20 rods per farm; 175 acres of land cleared, squaring off fields and bringing new land under cultivation; 17 water holes dug; 100,000 tile installed at 27 farms; and 500 rods of laneways improved.

A similar programme, fully as extensive, is

planned for next year and is now under way; 11 demonstrations are planned.

Some years ago—and this again under the same programme—rural home and farm improvement was a project of importance in the county. There is evidence in nearly every concession in the county of its results. Interest created in improved appearance of farm homes and buildings and approaches and grounds cannot fail to influence, for the good, the morale of the family farm.

This, by the way, was undertaken in the year 1952 when the international plowing match was held in our county. We believe that in the next five years junior work may take a slight change, some minor changes, but on the whole it is well received and organized. 4-H club work has a wide, popular appeal. The accomplishment of greater growth and results will depend largely on development of more and better local leaders.

More work with the older age group is more difficult to organize and carry through. The field and challenge is there, however, and continued thought and experiment is indicated.

Present agriculture organizations are in the main doing good work. Three Class B fairs in the county are vying with each other and always appear open for suggestions for improvement and are ready to co-operate. The Central Canada Exhibition and the Ottawa Winter Fair are both making worthwhile contributions to agriculture, and to junior agriculture in particular. It is doubtful if any fair organization in Canada is doing more for agriculture than is the Ottawa Winter Fair. We must continue to work closely with them.

Livestock breeding organizations are active and doing good work.

The extension worker can always find active support for worthwhile special activities. Service clubs, Kiwanis especially, are generous and co-operative in helping along projects designed to help young people improve urban-rural relations.

While drainage and land conservation has been a major project in this county for many years and to some, for that reason, might appear to have run its course and be not greatly needed any more, this does not seem the case. There is a continued keen interest and, after all, it is basic to more economical production on most farms.

We are of the opinion that a province-wide farm improvement project would be an excellent agricultural extension activity. It could

be designed to include many kinds of farm improvement including crops, drainage, fence row removal, farm layout, buildings and home improvements, landscaping and general beautification. It would have its economic value as well as its aesthetic side. It is time agricultural Ontario brushed up a little.

Now, Mr. Chairman, I offer this to you to prove what can be done when the people themselves take interest enough to work closely with The Department of Agriculture in this work expansion. We are most pleased that we have accomplished so much in the past few years, simply because we have had full co-operation from this department.

I would just like to say that in the organization of this land-use policy, we have these different groups represented on our executive. We have the Ottawa Valley Milk Producers Association; Carleton Cheese Producers Association; Carleton Vegetable Growers; Carleton Hog, Beef and Sheep Producers; the Dairy Groups, namely, Holstein, Ayrshire and Jersey Breeders; Crop Improvement; Seed Growers; Farmers' Association; Agricultural Society; Women's Institute; Beekeepers' Association; Junior Farmers and 4-H leaders; and also two representatives from the county council.

Now, of course, we could not be successful in this work if it were not for the money that was poured in here by the department and I note here that in grants and prize money last year our county received from The Department of Agriculture the sum of \$2,474. In addition to that, the department paid to our three Class B fairs the sum of \$1,500 each. To the Central Canada Exhibition the sum of \$2,500, and to the Ottawa Winter Fair, the sum of \$15,000.

In addition to that, some few years ago, a building was built at the Central Canada Exhibition, as a tribute to the late Herb McIlroy. The building was built at a cost of \$300,000. A grant of \$100,000 was paid by this government, and I might add that the last payment of \$29,427 was paid on November 26, 1957.

I just want to point out to you what this government is doing, and what this department in particular is doing.

Now, Mr. Chairman, I will have more to say on agriculture at a later date. I would first like to add that if our present hon. Minister continues to follow on the heels of his able predecessor, and give Ontario the leadership that he has shown so far since taking office, I have no fear for the future of agriculture in Ontario.

Mr. Manley: Mr. Chairman, maybe I could revert to 103, since there has been a rambling all around here. I notice in the public accounts there is an item paid to Lovell and Christmas—and that is in 103—for \$11,539. Now I wonder if the hon. Minister could explain what that was for.

Hon. Mr. Stewart: What vote does the hon. member—

Mr. Manley: On 103. I tried to get your eye, Mr. Chairman, but you—

Mr. Chairman: That has been passed.

Mr. MacDonald: Be as liberal as you were with the hon. member for Carleton (Mr. W. E. Johnston).

Mr. Manley: Lovell and Christmas.

Hon. Mr. Stewart: I understand, Mr. Chairman, in answer to the hon. member's question, this was part of an amount of money that was paid on behalf of the Cheese Producers Association to cover loss of cheese that was sent to Great Britain and spoiled, I understand, over there. To keep the market in a healthy state, we provided reimbursement for the loss that was sustained on the cheese that went wrong after it went overseas.

Mr. Manley: Mr. Chairman, was this the property of Lovell and Christmas, their purchasing firm, with head office in Montreal, outside of the province? And did this cheese belong to them? Had they purchased it from the cheese producers?

Hon. Mr. Stewart: Yes. This cheese was purchased from the Cheese Producers Organization, by that importing firm, and it went wrong over there. And simply to make good the loss that they sustained, we reimbursed them. And I think hon. members will agree that that was the proper thing to do, to maintain the market.

Mr. Manley: Well, Mr. Chairman, I cannot agree with the hon. Minister. After all, this is a big company. They have been in the importing business, and have been buyers of cheese, for a long time. Longer than I can remember. I dealt with them myself whenever I was dealing with the cheese factory, and I do not know how one can justify a payment of this kind to take care of the loss of a company that has been in business for all this time, dealing in cheese. The same thing could apply with farm machinery and everything else. How far can one go with this?

Hon. Mr. Stewart: Well, I would ask the hon. member, and I know he is a good businessman himself, if he had bought any product, and it went wrong, would he go back and buy the product again, when he had bought it in good faith, if the same person was offering it for sale? We recognize in The Department of Agriculture, and I am sure the government and I know that the hon. member would agree, that when one sells a product in good faith, you expect that product to live up to the reputation under which it is sold.

We learned that the product had gone wrong, even though we had taken every precaution that we felt was necessary at the time in inspection and provision of quality, and all the rest of it—I understand that some of the cheese came from the eastern Ontario area of the hon. member. When this cheese went wrong, we felt that it was only good business to reimburse the people who had suffered a financial loss, so that they would come back and buy from our producers' organization again.

I point out to him the fact that today our cheese market in Great Britain enjoys preference over any cheese in the world. It is the highest selling cheese on the British market today, and I think this is something that we in Canada should be proud of, that we in Ontario should try to maintain, and that we should stand behind the product that we sell.

Mr. Manley: Mr. Chairman, I am quite in agreement with a lot of the remarks of the hon. Minister. But it comes back to the question that I brought up when I got on my feet first this afternoon, in asking the hon. Minister if he thought, in his opinion, that we had enough inspectors, or field men, working in the industry in the province today. Now I think there is a duty, not only on the inspectors, but on the operators of the cold storages, and the buyers of the cheese themselves, to see to it that cheese that does not meet the requirements does not go out of the country.

Therefore, I say that we have been neglecting the cheese industry in this province. We have not paid enough attention to the grade of cheese that was going outside of the province and outside of the country. It just brings back what I said a moment ago. If we want to command that market, and we want to hold it, then we have to, and I agree with the hon. Minister, we have to give them the product. It is one of the best products that can be produced anywhere in the world.

I will go a little further and say, Mr. Chairman, that the cheese industry today is the best place in which to take care of surplus milk. It is a place where the quality, if it is properly looked after and if we have the proper storage facilities, of the product will improve with age, where it cannot with butter and with some of the other types of dairy products and therefore I say that we should by all means protect the cheese industry of this province. I do not think the likes of this should have been permitted to take place, because cheese that goes out of the country should be as it is properly represented to be; and therefore I say that I do not think that we should be in a position where we have to go and compensate companies that have been in the business all this time.

We do not know whether this cheese was stored in Lovel and Christmas-owned storages; warehouses, and brought up to maturity point when they were allowed to export them to Great Britain. I think there is definitely a responsibility here as far as The Department of Agriculture is concerned.

Hon. Mr. Stewart: Thank you, Mr. Chairman. We agree that there is responsibility as far as The Department of Agriculture is concerned and that is to maintain the good name of Ontario cheese. And I suggest, Mr. Chairman, that it is very difficult to know what the policy of the Opposition really is in regard to inspectors. There have been times when we have been accused of putting on too many inspectors, we have been accused of saying that the inspectors are inspecting the inspectors, and now today we have a complete about-face and hear that we should have more inspectors.

I suggest, Mr. Chairman, that if they want inspection to the limit that the hon. member suggests, then we would have to put an inspector in every factory every day of the week. That is the only way we can do it, if this is the way it must be done. One must use reasonable common sense in inspection, and I am sure he would agree that when we provide inspection and instruction to our cheese makers as to how a product is to be handled, then we expect that is the way it will be handled. I think my hon. friend knows very well the circumstances that went into this disqualification of this cheese, perhaps better than any other member of this House, because it came from his own district in large quantities.

I suggest, Mr. Chairman, that to infer that it is something that we should have done

better in The Department of Agriculture, that we accept the blame for this incident, is not presenting the true facts of the case. I suggest we did what we felt was in the best interests of the cheese producers of this province; and, first and last, the cheese producers and the farmers of this province will be our consideration.

Mr. Manley: Mr. Chairman, in answer to the hon. Minister, I do not want to labour this point any further—

An hon. member: Sit down!

Mr. Manley: Well, I will sit down whenever I get ready. But I just wanted to say, what I pointed up a while ago, that the cheese industry is very important and we must keep the quality of the cheese up there if we want to continue to hold this market. But where the policy of the department fell down was when they took the instructors out of the cheese factories in eastern Ontario. If it was so important to keep the grade up and look after the furtherance of the cheese industry, why did they take the instructors out of the cheese plant and put them into other plants in Ontario?

Mr. J. Chapple (Fort William): Mr. Chairman, does this full \$31,000 in this estimate comprise the amount that was paid for this cheese? There are several other companies in this particular estimate on the public accounts—like Rowan and Company, Wilson, Armstrong and Company—\$8,000, and so on; it comes to a total of \$31,000. Do they all apply to cheese, or do they apply to other things? Of course, I do not want to give the hon. Minister an opportunity of making an-

other policy speech on this item; that would be politically unsound.

Hon. Mr. Macaulay: Does the hon. member want the information or not?

Hon. Mr. Stewart: All I can say, Mr. Chairman, is that the vote that is referred to by the hon. member under public accounts is dealt with under Education, Extension, Marketing and Research Work in any branch of the dairy industry, to provide for grants, expenses and services and such other payments for the encouragement of the dairy industry as directed by the Lieutenant-Governor in Council; and this is part of that \$31,000 award, here, as far as I know.

Mr. Chapple: This is all “miscellaneous”.

Hon. Mr. Stewart: This is the first time I have seen this, I have to confess. If the hon. member wants to use the public account system, why, he can certainly confuse the Minister—if he wants to use it. If he wants to belabour the point I will get the information to the hon. member—if he wishes to have it. If he is just trying to embarrass the Minister, this is a different thing; if he wants the information we will get it for him.

Mr. V. M. Singer (York Centre): Surely one does not embarrass the hon. Minister by asking him to explain something in the public accounts.

Mr. Chapple: Mr. Chairman, surely it is important to the House to know how the money is spent? If he wants to give it away, fine!

It being 6 of the clock, the House took recess.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, March 5, 1962

Evening Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 5, 1962

The House resumed at 8.00 o'clock, p.m.

Mr. J. Chapple (Fort William): I would like to ask the hon. Minister just one question concerning the salaries on the home economics service: \$338,000 seems to be a lot for salaries, and I was wondering how the salaries were disbursed or used, in what areas, types of services and so on.

Hon. W. A. Stewart (Minister of Agriculture): They are used for the staff of the home economics branch. This is what the salaries in the home economics service are used for. There is a special branch under The Department of Agriculture dealing with the home economics service and that is what the salaries are for.

Mr. Chapple: Are these in all the different colleges, the home economics departments in all the different colleges?

Hon. Mr. Stewart: No, no! As I understand it, this is the home economics branch of The Ontario Department of Agriculture. It is located at 20 Spadina Road, the headquarters of the particular branch of our department. They provide something the same as the agricultural representative service. They provide home economists in the counties and in the other districts of the province on the same basis as the agricultural representatives, only they do not have as many of them.

It is under their organization and administration that the 4-H homemaking clubs that I talked about this afternoon, having nearly 15,000 girls in rural Ontario, are organized. These are under the direction of the home economics branch of The Ontario Department of Agriculture.

Mr. Chapple: Yes, but this is \$338,000. The hon. Minister must have a pretty large staff.

Hon. Mr. Stewart: Well, there are 57 on the staff, all told.

Mr. Chapple: Well, it might be cut a little, maybe!

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, on vote 104. Looking over the

public accounts for 1960-1961, I notice an item under promotion of junior farm work to the T. Eaton Company of \$33,000. Would the hon. Minister please explain the purpose of the \$33,000?

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Chairman, on a point of order. The public accounts and the estimates of a department should not be confused. We are here this evening and this afternoon to vote the estimates of The Department of Agriculture in relation to its future operations. The proper place to relate the expenditure shown in the public accounts for 1960 and 1961 is before the public accounts committee. The proper place to relate the estimates of the hon. Minister which are now before the House is here.

Now, where an hon. member would like to make reference to this year's estimates and point out that last year there was a smaller amount and wonder why there is a difference, I think this is quite legitimate. But as far as relating to the public accounts and asking questions in connection with an item which was in the public accounts on a previous occasion and not in the estimates this year, then the point that the hon. member is making, Mr. Chairman, is out of order.

Interjections by hon. members.

Mr. P. Manley (Stormont): Surely he cannot say that the only place we can ask questions in regard to The Department of Agriculture is in the public accounts committee. I want to point out to the hon. Minister that he is going a long way in saying that we cannot ask questions as to what has appeared in the public accounts in regard to The Department of Agriculture. I think the hon. Minister is wrong and I would object very strenuously to an answer of that kind.

Hon. Mr. Macaulay: Mr. Chairman, it is not a question of a restrictive attitude in relation to this. This is something that has prevailed from at least 1926, that I know about. While my father was the financial critic of the Opposition in the House, this was a rule which prevailed all during Mr. Hepburn's

time. Now, there is a procedure in this House for questioning the public accounts and that is before the public accounts committee.

Mr. K. Bryden (Woodbine): There is no such procedure. We have never been held to that.

Hon. Mr. Macaulay: Mr. Chairman, the public accounts committee is there for this purpose and it will be called for this purpose.

Mr. Manley: Mr. Chairman, is the hon. Minister changing the procedure? I want to say that the estimates are only estimates of what is going to be spent and the public accounts are accounts that have actually been spent, dollars and cents that are involved in this department. I think it is going a long way if we cannot question the hon. Minister on what has been spent last year, comparing them with what the estimates are for this year.

Hon. Mr. Macaulay: That is exactly the point I am making.

Mr. Manley: After all, is the hon. Minister going to bar hon. members from asking an hon. Minister what those specific items are, money that has been spent out of the public treasury during the past year?

After all, he is going a long way if he objects to hon. members on the agricultural committee asking questions of the hon. Minister of monies that have been expended from a public fund and saying that we cannot deal with those expenditures that took place last year, we have to just deal with the estimates figures that are in the estimates of this year. After all, he is curtailing the debates of this House.

I think the hon. Minister is taking from hon. members the privilege of finding out just how government is spending money. If he takes that attitude, we are going to fight it right to the very last ditch.

Mr. D. C. MacDonald (York South): Mr. Chairman, if they are going to fight it, we will be with them. Just to show how completely fallacious is the argument advanced by our little obstructionist across the way, who is seeking to impose his conception of the rules in the House, if what he says is correct, for years the public accounts committee was not called, because the then hon. Prime Minister (Mr. Frost) said the purpose of the public accounts committee was not to do what he has just indicated, it was only to be a scandal committee, so-called.

Now that we have some prospects of the public accounts committee operating in the normal fashion, it has not yet been called in this session. We went for three or four weeks in the fall, we are in our second or third week now, so obviously it is not an operating committee. The net effect of the so-called rule that the hon. Minister is now proposing is that the Opposition will be denied the right to raise questions on the public accounts; and that is what he wants.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, if I may put in my two cents' worth; I was not here in 1926—and somebody says neither was the hon. Minister—but I would like to come back, sir, to a little bit before 1926 and back to the time of the Stuarts.

The historic right of Parliament, sir, one of the historic and touchstone rights of Parliament, is that before this Legislature is required to vote one cent to the Crown that the members hereof are bound in duty and conscience, and armoured with privileges of questioning and criticizing and suggesting and cajoling and antagonizing and opposing and doing everything else that they may do within the rules of the House, sir, in bringing to the attention on behalf of the people they represent matters which pertain to the expenditure of money by this department. I, sir, will be one in the opposition to the hon. Minister of Economics and Development (Mr. Macaulay) and everything else, who will not sit here silent and let him impose an extremely technical, and I might say perverse, interpretation of the rules. I ask you, sir, upon our behalf over here, do not let any such narrow and constrictive interpretation of the rules persist in order to in any way inhibit us from bringing these matters to the floor of the Legislature. Now that is the attitude I take.

Mr. Newman: Mr. Chairman, I will rephrase my question to the hon. Minister and ask: in the estimates for 1962-1963, has the hon. Minister an item or an amount set aside for the T. Eaton Company Limited under promotion of junior farm work; and if so, how much is that estimate?

Hon. Mr. Stewart: Yes, I fancy there is. It would come under item No. 12 of vote 104. I think this is where it comes, and I can tell the hon. member exactly what the account for \$33,000-odd has to do with—I did not hear the question in the first place—it has to do with prizes that are bought from the T. Eaton Company and are provided for the 4-H homemaking club girls who are

declared winners in their various clubs after they have completed 4-H homemaking club projects. They are presented with an award purchased from the T. Eaton Company and this is the amount of the purchase. It is included, I believe, in vote 104, item No. 4, promotion of junior farmer work. It is \$137,000.

Mr. Newman: Mr. Chairman, I would like to thank the hon. Minister. Had the previous Minister of Agriculture not interfered, we would have had this answer long ago and everything would have been to the satisfaction of the House.

Now I would like to ask a question concerning a rural youth centre. Would the hon. Minister explain what is meant by that? Is that also promotion of junior farm work? Where is this youth centre and what is its purpose?

Hon. M. Stewart: Where does the hon. member see this?

Mr. Newman: Under the—this will be found, actually, in the public accounts. It is under promotion of junior farm work. There is \$137,000 involved in that, and on page A-15 of the public accounts 1960-1961, right at the bottom of the page, rural youth centre, \$8,607.

Hon. Mr. Stewart: This is in connection with the rural youth centre at Cayuga, Ontario. It is for the junior farmers, the 4-H clubs, the youths of Ontario, who centralize their activities there. It is sort of a promotional programme for the whole youth programme of The Department of Agriculture.

Mr. Newman: In other words, everything is centred at Cayuga, is that it? Concerning the promotion of junior farm work?

Hon. Mr. Stewart: I would not say everything, but special activities and projects are sent out from there. We can get the hon. member a full report on it if he wishes.

Mr. Newman: Are there funds then expended for the promotion of a rural youth centre in other areas of the province?

Hon. Mr. Stewart: No, not to my knowledge.

Mr. Newman: Then this is the sole place where funds are expended.

Hon. Mr. Stewart: I do not know what the hon. member is driving at.

Mr. V. M. Singer (York Centre): It is obvious what he is driving at.

Hon. G. C. Wardrope (Minister of Mines): The hon. member for York Centre does not know himself.

Mr. Singer: This gets a little ridiculous. We get the big noise from the north here, noise for no reason at all. Obviously what my hon. colleague was driving at was this: there is one item in the public accounts that indicates exactly what my colleague said and he asked the question of the hon. Minister, which is a reasonable question and a fair question. "In what other places in the province of Ontario are monies expended?" Surely the hon. Minister should answer.

Hon. Mr. Stewart: The Minister did answer, there are none. I answered the question and the hon. member kept insisting on something else.

Mr. Singer: Surely the hon. Minister should answer other than giving us evasive—

Mr. Newman: Mr. Chairman, that is the only question I had and the hon. Minister supplied the answer and I thank him for it.

Vote 104 agreed to.

Vote 105 agreed to.

On vote 106:

Mr. MacDonald: Mr. Chairman, on this weed control aspect of field crops, what obligation is there for railways to look after the weeds on their rights-of-way that run through agricultural areas?

Hon. Mr. Stewart: I am told, Mr. Chairman, the railways are subject to the same conditions as anyone else as far as weed control is concerned.

Mr. MacDonald: What are the penalties in the weed control—

Hon. Mr. Stewart: I cannot tell the hon. member offhand, but I can get that information for him. I have not got the Act here.

Mr. MacDonald: Has there ever been a prosecution of the railways for failure to control weeds on their rights-of-way?

Hon. W. A. Goodfellow (Minister of Highways): I would like to say, Mr. Chairman, that down in my home county it is the county weed inspector's greatest delight to get after the railways because he considers them a big interest. They really clean up

in Northumberland county, whether the farmers do or not.

Mr. MacDonald: I have a very distinct recollection last summer of being in Lanark county and happened to find a farmer back in his fields. He was pulling out a rather rare weed that was spreading in this area; since it had rained, he could not get at his crops. He said: "My whole problem is in that right-of-way." He said: "They are growing like weeds there, and they are continually getting into my property."

So I asked a question about what should be done, or what can be done, and his statement was that nothing had been done for years.

An hon. member: What railway was that?

Mr. MacDonald: I do not know which one it was. It was near Carleton Place.

Vote 106 agreed to.

Vote 107 agreed to.

On vote 108:

Mr. Sopha: With reference to vote 108, Mr. Chairman, you will note, reading the whole thing in item No. 4:

Educational demonstration work in any branch of livestock, judges, lecturers, valuers and other assistants, expenses and equipment, livestock exhibits and transportation charges, travelling expenses, fieldmen; purchase, maintenance and distribution of livestock; to pay such grants for the encouragement of livestock as may be approved by the Lieutenant-Governor in Council.

Now that phrase is unique in that throughout the whole of the estimates it is, I believe, the first mention of approval being required by the Lieutenant-Governor in Council. I do remember that my esteemed colleague from Grey South (Mr. Oliver) was supported I think somewhat by the hon. member for York South (Mr. MacDonald) at the committee on the organization of government—we had discussion there, I believe it was the last meeting but one—where certain consideration and study was given to this matter of amounts voted in the estimates to be spent in a discretionary fashion by the hon. Minister. I do recall the hon. member for Grey South—but perhaps he is better able to speak for himself than I. Paraphrasing what he said, referring to this vote back in 104 in connection with clearing land in northern Ontario, he identified it as being a very handy vote that had been

used over the years—he has been here a good many years—especially in relation to by-elections in northern Ontario or general elections.

I do not recall that during the Kenora by-election, though there was quite a bit of clearing along the roadways being done, there was great activity, but I do recall in the dead of winter and the depths of January when my hon. leader (Mr. Wintermeyer) and myself and others were peregrinating that riding east to west and west to east, being followed in our footsteps by the hon. Minister of Mines (Mr. Wardrope)—though I must say that he on that occasion ought to have stood in bed, to coin a phrase.

The hon. member for Kenora (Mr. Gibson) says it is the first time he has been up there in years, first time he has been up there since he used to freight cargo on Lac Seul, that is about 30 years ago.

Interjections by hon. members.

Mr. Chairman: Order!

Mr. Sopha: Well, sir, to return to the ranch, my query was this: why in vote 108?

I suppose it is idle to complain. I complained last year. I recall that I had the temerity, with great fear and trepidation, to complain the first year I was in the House, also, about these vast sums of money and these estimates that are left to be spent at the discretion of the hon. Minister of Agriculture (Mr. Stewart). A study of the estimates of all departments reveals, I think, that he is unique in his position in that he is given very large amounts of money to spend in his discretion. That characteristic does not obtain with respect to any other department; but it does in almost every vote in these estimates, almost in every one right from 101 through to the end of them.

An hon. member: How many are there?

Mr. Sopha: There are 123. Since the hon. member cannot read, I will be glad to read them for him.

He is unique in that he is given these vast amounts of money to be spent at his discretion. We of the Opposition would not be accused of perverse suspicion, I do not think, if we suggested that there might be a temptation on his part, I am not saying there is, but speaking hypothetically, there might be a temptation, to spend some of these in political context.

As the wise old judge said, "More important than justice be done, is that justice seem to be done." So in the expenditure of public

revenue, it is equally important that the suspicion is not there that he might use some of these for the cultivation of political objects. But complain as we might, these estimates come out each year with these large amounts of money. Now, I am not one of those that is for a moment fooled by the printing that is on this book that is published and handed to us, because I took the trouble, for example to calculate, by looking through all of them.

I am referring here to item two, in vote 108. Hon. members will see there the moderate sum of travelling expenses, \$69,300. Now—what is the word—sort of mixing the seasoning in with the salads, sort of interlaced throughout the rest of the estimates, hon. members see references to travelling expenses. I took the trouble to total up the whole amount that we are being asked to vote in the estimates in The Department of Agriculture for travelling expenses and it comes to about \$300,000. But I can tell you, Mr. Chairman, and you would believe me—whereas there may be some here that would not believe me, but you would believe me—that this is the most itinerant, carpetbagging and peregrinating department of the whole government. When we are asked to vote—

Hon. Mr. Wardrope: That is his Liberal addition.

Mr. Chairman: Order!

Mr. Sopha: If the hon. Minister would just wait a moment, I will get up to northern Ontario.

Hon. Mr. Goodfellow: Mr. Chairman, on a point of order, I just want to correct the hon. member. I think if he added up the travelling expenses in agriculture, instead of \$300,000, it might be \$3 million. I think he is being too modest.

Mr. Sopha: No! No, I was referring to the amount that we are asked to vote. I calculate that we are asked to vote, under the heading of travelling expenses, about \$300,000. Now, of course there is much more than that. The hon. Minister anticipates what I was going to say. Of course there is more than that. There is about four times that. Something over a million dollars.

I say it is the most itinerant and peregrinating department of the whole government. It makes one wonder—

Interjection by an hon. member.

Mr. Sopha: I appreciate the former hon. Minister of Agriculture's endeavour to assist

his colleague and I thank him for his assistance to me.

Now really, I do not suppose I really care whether the department spends \$1.2 million or \$3 million, provided it is justifiable. What I do object to, however—trying to assume that I am of adult mind—what I do object to is that instead of putting in the amount they are asking for travelling expenses, they limit it to a mere \$300,000 and then go and spend something over a million. Now if the hon. Minister wants a million dollars for travel expenses, I think that he would show us a sense of responsibility and maturity by putting it in the estimates and asking for a million dollars if he wants that. But do not ask for \$300,000 and go and spend a million.

Interjections by hon. members.

Mr. Chairman: Order! Order!

Mr. Sopha: Mr. Chairman, you and I have lots of time. What I was going to say was that I do not believe in this hiding of amounts, as apparently they are doing here.

Now to return to the point where I started, Mr. Chairman, I ask why is item No. 4 unique in that, in respect of the livestock branch, before they may spend that tidy sum—more money than I will ever have in this lifetime—\$195,000—why is it that they have to get the approval of the Lieutenant-Governor in Council? In all the other estimates the sums—and they are not insignificant—over in 104 there is \$2,000; there is a mere \$83,500 in 106—

Mr. F. R. Oliver (Grey South): One hundred and fifty-six in 107.

Mr. Sopha: Yes. My hon. friend from Grey South says \$156,000 in 107. There is \$50,000 in 101, all adding up to quite comfortable amounts.

Now perhaps the hon. Minister will tell us, in relation to 108—and this is a very simple question, and I see the word is being filtered down from the acting Prime Minister, down the line there, so I may expect a really comprehensive answer on this—my question, Mr. Anthony, is fairly simple. Why does it require the approval of the Lieutenant-Governor in Council for this very important vote? I would be very grateful to anticipate a courteous answer.

An hon. member: That is the longest question in the history of the Legislature.

Mr. Sopha: If my hon. friend would keep quiet, we will get this through.

Hon. Mr. Stewart: Mr. Chairman, if my hon. friend anticipates as long an answer as his speech in preparing and delivering the question, we will be here for some time. I would point out to him, since reference has been made to the public accounts, that if he would look on page A-23, he will discover, I believe—

An hon. member: Is this permissible?

Hon. Mr. Stewart: This is what the hon. member has been doing.

Mr. Singer: Is the hon. Minister over-ruling the hon. Minister of all the departments?

Hon. Mr. Stewart: It has been spelled out as to what accounts really had to do with this. I believe this is on A-23, I saw it here a moment ago. But whatever it may be, I can explain this to the hon. member as having to do with education and demonstration work. I say on page A-23. Two years ago the figure was \$184,180.15 and it sets out therein how this money was spent.

Mr. Sopha: Is that accounts ending March 31, 1961? Page A-23? That figure?

Hon. Mr. Macaulay: \$184,180.15.

Mr. Sopha: Where does the hon. Minister see that?

Hon. Mr. Stewart: It is about two-thirds of the way down the page. The actual amount spent was \$139,120.97. This has to do with the expenses in connection with the livestock branch, with the dairy improvement-association work, and we have something like 60 field men doing that—travelling most of the time. We have livestock people from our livestock branch here travelling all over the province in connection with livestock work. It is spelled out in the various services that are provided by the livestock branch. These are simply travelling expenses that are in connection with their work as they travel about the province. It is a very big department and doing a very big job in the province of Ontario.

Mr. Sopha: But my question was, and I thought it was the ultimate in simplicity, why does it require the approval of the Cabinet? In the others the hon. Minister does not need the approval of the Cabinet.

Hon. Mr. Stewart: Mr. Chairman, as far as I know this has been the way this has been set up for the last 14 or 15 years at least. I do not know whether there is anything wrong

with this way of doing it or not. Does the hon. member think this is the wrong way to do it? Is there something objectionable about the way this is worded or is he just taking exception to the wording of it?

Mr. Sopha: Not only do I think it is wrong, but I believe all the members of the committee on the organization of government thought it was wrong. They think it is wrong for a Minister to have amounts to spend at his discretion, because he ought to be under the control—under some form of control—statutory or otherwise, and not be able to spend money at his discretion. The hon. Minister is accountable to the Legislature certainly after he has spent it but there ought to be some curbs on him before he spends it and I am curious about this.

Hon. Mr. Wardrope: Why?

Mr. Sopha: In order to ensure that it is not spent for improper purposes and that is a fundamental democratic control. It is nothing more than that and surely you must agree with me on that score.

Hon. Mr. Wardrope: Supposing an emergency occurs, do you call the Legislature?

Mr. Sopha: If the hon. Minister seriously wants an answer to that, I will give it to him, though I am not responsible for his education. The answer is that the Legislature is represented by the Executive Council of which the hon. Minister is a member and they can meet very speedily and get a Lieutenant-Governor's warrant or a Treasury Board order and spend money and do not need to account to anyone until after it is spent. Surely the hon. Minister knows that. Now he will go away tonight better informed than when he came.

Mr. MacDonald: Mr. Chairman, now that we have pursued the topic this far, what is the difference between an expenditure which is directed by the hon. Minister in most of these particular votes and one which says that it must have the approval of the Lieutenant-Governor in Council?

Hon. Mr. Stewart: Well, I imagine it is the way the Act reads, the way it is drawn up. I do not think there is any real particular difference, just the way the Act is drawn up.

Mr. MacDonald: There is no particular Act in this instance. This is the livestock branch, there is no Act being administered, this is just a branch of the department. I

think it is about time there was a little housecleaning done.

Mr. Singer: Mr. Chairman, on this vote I am rather intrigued by the figure of \$195,000 under item 108-4 and the comparison of that with the public accounts on page A-23. The thing that particularly catches my eye in this matter is a grant to the Rainy River Cattle-men's Association in the fiscal year ending 1962 in the amount of \$4,564.41.

Now, Mr. Chairman, I would be the last one in this House to cast any aspersions on the hon. member for Rainy River (Mr. Noden). He is a fine gentleman and represents his riding ably, but there are 97 other hon. members in this House, not one of whom is represented in this peculiar set of grants. I have had a quick query with some of my colleagues here, the hon. member for Oxford (Mr. Innes), the hon. member for Kent East (Mr. Spence) and the hon. member for Kenora (Mr. Gibson). They tell me—and I accept their word because they too are honourable gentlemen—that they do have cattlemen in their riding. They have cattlemen who meet together and have associations, and they are completely at a loss to understand why in Kenora a cattlemen's association receives no grant, why in Oxford a cattlemen's association receives no grant and why in Kent East the cattlemen's association receives no grant.

Mr. Chairman, it seems to me we could go on through many other ridings, perhaps the other 97, perhaps eliminating my own because there is not a cattlemen's association in York Centre, not even in Riverdale. But Mr. Chairman, I think this is most important: I think the government owes a duty to the people of the province of Ontario to explain why throughout the pattern of these public accounts there are grants to ridings represented only by Conservative members, only for Conservative associations, and why they ignore completely ridings represented by other people. I would ask the hon. Minister to explain that.

Hon. Mr. Stewart: Yes, Mr. Chairman, the Minister will explain that. And I have never heard a member from an urban riding so absolutely ignorant of the question as the one he has mentioned.

Mr. MacDonald: Deal with the issue.

Hon. Mr. Stewart: I will deal with the issue. The hon. member said we were dealing with Tory ridings only and hon. members in Tory ridings. Let me suggest to you that if the

hon. member for Bruce (Mr. Whicher) were in his seat tonight he would be telling you that the same thing was done for the Wiarton Cattle Breeders' Association many years ago.

Mr. Singer: Well, show us in the public accounts.

Hon. Mr. Stewart: Sure, it was done years ago. If you go back several years you will find it. If the hon. member would just go back a few years to the time when that money was spent at Wiarton for the Bruce Cattle Breeders' Association, he will find it. And this money was spent on the same basis, with the same percentage of grants as the Rainy River area, to establish a livestock auction there for the farmers of Rainy River district.

This is one of the greatest things that has ever happened to the farm people of Rainy River district, of the Manitoulin Island district, of the Wiarton district and the Thessalon district. These are the livestock auction sales for feeder cattle that I was talking about this afternoon. If the hon. member knew anything about The Department of Agriculture and its activities to promote the sale of feeder cattle and the interests of the farmers of that area he would not ask such a question.

Mr. Singer: If the hon. Minister is as reasonable in the administration of his department as he appears to be in this explanation, surely the hon. Minister would find it only politic to expend a portion of this \$195,000 in ridings other than those represented by members of his own party.

Hon. Mr. Macaulay: There was only one riding.

Mr. Singer: Yes, there is only one and that is the whole point and the hon. Minister knows it.

Mr. Sopha: Mr. Chairman, in the acquittal of our responsibilities as I see them, you will forgive me if I am a bit persistent—I want to insist upon an answer to the question I addressed in relation to 108 as to why the approval of the Lieutenant-Governor in Council is required in relation to that vote.

May I preface what I wish to say with these remarks? There is a new game started around here. And the new game is called "Why is so-and-so not in his seat". The hon. Minister of Agriculture just picked up the cue from the hon. Minister of Economics and Development, who started that game about a week ago. In addition to the responsibilities he has, which are manifold and multifold

and onerous, he takes upon himself the responsibility to ascertain why hon. members are not here. He is a truant officer, my friend from Grey South (Mr. Oliver) says. But he got his come-uppance a week ago Wednesday, when we went to the energy committee meeting and there was one Conservative member there.

That is all I am going to say about that. This is prefatory. Now I want to say that I counted the number of members of the executive council who advise the Lieutenant-Governor who were present. Of the active ones, and not counting the junior people who are coming along, there are eight in their seats. And of the eight members of the executive council that are here, I think I am correct in saying that there are two members of the Treasury Board, which was expanded to six members when we got the new regime around here.

Now one would think—

Hon. W. K. Warrender (Minister of Labour): Mr. Chairman, I rise on a point of order. I moved out of my seat to accommodate the hon. Minister of Agriculture. Now the hon. member wants to make a big to-do about it.

Mr. Sopha: All right. There are three members of the Treasury Board. Will you note in your book that the hon. Minister of Labour is here. I forgot for a moment that he is a member of the Treasury Board, but if I am correct in saying, there is the hon. Minister of Economics and Development, the hon. Minister of Highways and the hon. Minister of Labour, and that is all from the Treasury Board.

Mr. Chairman: Order, order!

Mr. Sopha: The connotation in which I speak, of course, is that these members of the Treasury Board might come to the support of the hon. Minister of Agriculture and explain to this House once and for all why this approval of the Lieutenant-Governor in Council is required on vote 108 and no similar approval of the Lieutenant-Governor in Council is required in relation to any of the other discretionary amounts that may be spent by the hon. Minister of this department. But I demand an answer.

Hon. Mr. Stewart: Well, we can look this matter up if it is a technicality determining whether it is worth making a fuss over with our hon. friend from Sudbury. I would suggest that the only reason I can say that it is different—and frankly I have never noticed the wording before—is that it has to do with

the acceptance of this by Order-in-Council. But we will make sure about it. We will provide him with the answer to this.

Mr. Sopha: Mr. Chairman, perhaps the hon. Minister will hold over this estimate until an explanation is forthcoming. If he will not do that then I will move that the passing of this estimate be delayed until an explanation is forthcoming. And I so move, sir.

Hon. Mr. Stewart: Mr. Chairman, if I might speak to this motion that our hon. friend has made, or proposes to make here. If he wants to hold up the whole dairy-herd improvement programme for the province of Ontario, we can call our field men off the road and tell them that they are through and what has happened.

Hon. members: Oh no.

Hon. Mr. Stewart: Well, this is what the hon. member is suggesting.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, I will take complete responsibility for the act that has been asked by the hon. member for Sudbury. I think it is the democratic way to proceed. And if the hon. Minister of Agriculture does not understand the significance and purpose of the Opposition then I suggest that he realize now that this is the normally accepted way to proceed in objecting to a particular item. It may be that there is a perfectly logical explanation, and if there be, remember that we offered to get the explanation.

Hon. Mr. Macaulay: Well, if there is a perfectly logical explanation, let us have it.

Mr. Singer: Adjourn the vote.

Hon. Mr. Macaulay: We will not adjourn the vote.

Mr. Chairman: Order, order. You have heard the amendment—

Mr. Sopha: I just wonder—this is a rather ticklish thing with me, Mr. Chairman, I just wonder, on a point of privilege—just what that insulting innuendo was.

Hon. A. Grossman (Minister without Portfolio): It was no innuendo. I am rather amazed when I walked in here, to find that the hon. member for York Centre (Mr. Singer) has all of a sudden become an expert on agriculture.

Mr. Singer: Mr. Chairman, on a point of personal privilege, the hon. Minister from St. Andrew has exhibited his usual boorishness. If he had listened to what I had said—

Mr. Chairman: Order, order.

Mr. Singer: Mr. Chairman, I am entitled to rise on a point of personal privilege and I am going to. The hon. Minister from St. Andrew has exhibited his usual boorishness. If he had listened to what I said, he would have recognized, if he had the intelligence to do so, that I made a legitimate point on a legitimate thing which had nothing to do with the intricacies of agriculture. It was a query about the mechanics and the method of reporting in these accounts and the estimates.

Hon. Mr. Grossman: Mr. Chairman, on the point of privilege, I apologize. I am sorry. If I said the member was an expert on agriculture, I apologize. I know now he is not.

Mr. Sopha: Mr. Chairman, I think the hon. Minister from St. Andrew should have the courage to put on the record what he actually did say. I say again, sir, that I am rather sensitive about that.

Hon. Mr. Grossman: It is on the record. Do not worry about it.

Mr. Chairman: Order, order! You have heard the question. All in favour say "aye".

Mr. R. F. Nixon (Brant): Are you calling vote 108?

Mr. Chairman: No. The amendment to vote 108. All those in favour of the amendment say "aye".

All opposed say "nay".

In my opinion the "nays" have it.

Vote 109?

Mr. Nixon: Mr. Chairman, we are not through with vote 108 yet. I asked particularly if you were calling vote 108, because there are a couple of points I would like to ask about.

Question 1: The Dairy Herd Improvement Association has been referred to twice in the hon. Minister's answers since dinner, and I would like to ask him what the cost of this service is, because I realize that it must far exceed the income from those benefiting from it, which happens to be \$46,295.25, according to the book here. And I would like to know what the cost of this service is in excess of the amount that the farmers pay.

Hon. Mr. Stewart: The Dairy Herd Improvement Association costs the province of Ontario \$86,591.

Mr. Nixon: Secondly, I would like to know under No. 8 "expenses re brucellosis control". The hon. Minister referred to this by another name. There is another one yet to go, of course, but I was wondering if there was any thought in The Department of Agriculture whether the disease we are reading about in the papers in the last month or two, leptospirosis, is becoming important enough to warrant some organized Department of Agriculture control, or perhaps reimbursement for the farmers concerned.

Hon. Mr. Stewart: Well, to answer the hon. member's first question, Mr. Chairman, the cost of the brucellosis control programme in 1959-1960 was \$548,300. In 1960-1961, it was \$461,200. As to the matter that he raised in connection with the disease he mentions—this uncommon disease that now appears to be, in some areas, causing concern, I would say that this is a matter for the federal government to deal with completely, and it is under their jurisdiction under the federal Health of Animals Act.

Mr. Nixon: In that connection, sir, why would that be federal, and brucellosis provincial?

Hon. Mr. Stewart: Well, that expenditure under the brucellosis control programme was for the vaccination of heifer calves in the province of Ontario. The actual blood testing and compensation paid for reaction to the blood test is paid under the federal government, The Health of Animals Act.

Mr. Chapple: As far as this brucellosis control programme is concerned, I believe that it is getting under control very fast, and I do not think that there should necessarily be any reason why this programme should be expanded as far as actual dollar expenditure is concerned.

There is another one. The warble fly control programme is still \$78,000, and I understood that that was pretty well taken care of as far as having this control is concerned. The amount expended for that seems to be rather high as well. And \$20,000 for rabies indemnity payments; I wonder if the hon. Minister figures we are going to have any rabies this year.

On item No. 5 of vote 108—The Stallions Act. Apparently there is still \$9,800 under this particular Act which is high, I think, as far as horses are concerned, particularly farm

horses, which I imagine this was originally set up for, unless, of course, we are going into the breeding of race horses. I know once you are in the business of farming it is pretty hard to get out of that and into something else. I think, quite probably, if the hon. Minister of Agriculture were to see that these particular estimates were gone into a little more carefully, a reduction could be in order.

These particular ones that I know of seem to be quite high and I think in conjunction with other estimates through the whole of the department a very close look seems to be in order.

Mr. R. C. Edwards: I should like to ask a question, as a matter of information, and I think this is where I might ask it. Could the hon. Minister tell me why grants are being administered through this department for matters such as have just been brought up, and yet the matter of grants to the Standard Bred Horse Society and the Canadian Thoroughbred Horse Society do not come through his department? Does The Department of Agriculture not have an interest in these? Why is this not conducted through The Department of Agriculture?

Hon. Mr. Stewart: Well, that is a question that I must say is a bit hard to answer. First of all, I would say that the policies of the department are directed towards the matter of providing grants for the—is the hon. member referring to The Stallions Enrolment Act, or what is he referring to?

Mr. R. C. Edwards: I would tell the hon. Minister that I am referring to an estimate which will be voted on by this House, in the sum of some \$85,000.

Hon. Mr. Stewart: Under where?

Mr. R. C. Edwards: Under The Treasury Department. And I am asking the hon. Minister why a matter like this would not be the concern of The Department of Agriculture. It would seem to me that these types of horses are livestock. I am wondering why The Department of Agriculture would not be concerned with this, rather than The Treasury Department.

Hon. Mr. Stewart: Well, it is a simple answer. I would say, Mr. Chairman, that that grant is provided through The Treasury Department because of the racehorse business, and has nothing to do with the agriculture of the province as far as I am concerned.

Mr. A. H. Cowling (High Park): There is a difference in the horses, you know.

Mr. Newman: To carry that one further then, Mr. Chairman, why is not the Ontario Society for the Prevention of Cruelty to Animals under The Department of Agriculture? It is under Treasury.

Mr. G. T. Gordon (Brantford): Under item 9 of 108—am I in order if I speak about the inspection of meat? It is in 108, veterinary services.

Mr. Manley: Well, Mr. Chairman, under No. 9 of 108—veterinary services, community sales—I want to put a question to the hon. Minister. I know it is very important that we have inspection of livestock in those sales, but I think what the hon. member for Brantford was getting at was the problem that has arisen just recently in the province with regard to the sale of tainted meat. I think it has a direct bearing here, Mr. Chairman, and we know there are a number of cases before the courts at the present time.

What I wanted to ask the hon. Minister was: are all the animals which go into community sales inspected as to health in regard to human consumption, or just how does the veterinary service apply to the various animals that do come into community auctions?

Hon. Mr. Stewart: Did the hon. member ask two questions or is there only one?

Mr. Manley: Mr. Chairman, I thought I made myself plain. I was referring to the community auctions. I asked if all the animals that came in for auction from the various farms or dealers, whatever the case might be, were fully inspected as to health; and if there was any sort of a certificate given to show that, if bought for human consumption, they would be fit for human consumption.

Hon. Mr. Stewart: Well, the livestock that come to a community sale can be inspected by a veterinarian who is employed by the sales themselves to do this inspection.

Mr. Manley: Did the hon. Minister say they can be?

Hon. Mr. Stewart: They are inspected. An inspector is there who will do the inspection work at the sale. I do not think any certificates are issued, that I know of. I think they are approved and that is all. If an animal comes in and the veterinarian

who is in charge of inspection on the day of the sale feels that there is something wrong with the animal, he can tell the farmer to take it home or dispose of it in some other way.

Mr. Manley: In other words, it is not earmarked that it would not be fit for human consumption, even if the veterinarian thought that it was not? Is that what I took from the hon. Minister?

Hon. Mr. Goodfellow: Mr. Chairman, the veterinarians who inspect all livestock at auction or at the community sales are paid by The Department of Agriculture; and we in turn, in the department, are reimbursed by the returns from licences which we issue to the community sale operators across the province. All livestock is inspected by the veterinary who is employed by The Department of Agriculture, in all the community sales in the province of Ontario.

Mr. Manley: Well, that does not quite answer the question, Mr. Chairman. If, in the veterinarian's opinion—and I have seen it myself, where possibly a dairyman would bring a cow in, put it up for auction, and then feel it was not going for a high enough price, he would bring it back and then put it in for beef. Is there any assurance that that cow or that animal does pass the inspection that says it is fit for human consumption? That is what I am trying to get at. The question that I asked was: is there any certificate issued, or is the general public assured that any of those animals bought by the beef purchaser are fit for human consumption? In other words, are they permitted to buy animals that are not fit for consumption? Can they bring it to their plants, have it killed, and let it find its way into the meat markets of the province?

Hon. Mr. Goodfellow: The veterinary is held responsible for his inspection of all animals—

Mr. Manley: Would the hon. Minister speak a little louder?

Hon. Mr. Goodfellow: The veterinary is held responsible, from a disease or a health standpoint, for all animals which come to these community sales to be auctioned. If a cow was not selling for a high enough price as a milk cow, there would be no harm in it being sold for beef because the hon. member and I have slaughtered plenty of cows that were not what they should be for milk but which were still edible.

Mr. Manley: I agree with the hon. Minister, but he has not got the point yet. Is the purchaser assured that that meat is fit for human consumption? That is what I am trying to get at.

Hon. Mr. Goodfellow: Well, this inspection should assure that it is fit for human consumption; if it is passed by the veterinary.

Hon. Mr. Stewart: Well, I think I would like to say that if any animal inspected at these sales, by our veterinarian, is in his opinion not healthy, is filled with disease, or appears to be diseased, then he just prohibits that animal from being offered for auction—for whatever purpose it might be described. It is prohibited, and the farmer takes it away and gets it out of there.

Mr. Manley: That is the information I wanted, Mr. Chairman.

Mr. G. W. Innes (Oxford): Mr. Chairman, just along that line, does the hon. Minister mean to tell me that there is no way of marking the animals that are rejected from a particular sale, and that the owner could take it to another sale and go through the same procedure? Are they marked? That is what I want to know.

Hon. Mr. Stewart: Mr. Chairman, as far as I am concerned—I have sold animals through sales and never had one rejected—to my knowledge there is no mark put on those animals. They are simply not allowed to be sold in that sale. Then, as the hon. member suggests, if the farmer takes it to another sale, it is reasonable to suppose that the veterinarian would turn it down at that sale.

Mr. Innes: Not to be critical in any way, but I think there is merit in having them marked in some fashion, whether or not it be a tattoo, so that they would be recognized. As you know, and as I know, there are dealers who continue to go from one sale to the other. They have their so-called route, and they will go from one to the other until they are accepted. This is a known fact, and I think it has some bearing into which the hon. Minister should look.

Hon. Mr. Goodfellow: The hon. member for Oxford (Mr. Innes) has brought up a very good point. I am sure that if a veterinary at a sale condemned an animal as unfit to be offered at public auction, then it would be marked and the farmer would have to destroy the animal.

Mr. Innes: Well, I appreciate that; I hope that would be the situation.

Hon. Mr. Goodfellow: I do not think the former livestock commissioner is here tonight or he would have the answer for the hon. member. I am sure that would be the case.

Mr. Innes: I would hope so.

Hon. Mr. Goodfellow: He would not allow the animal to be offered for sale the second time.

Mr. Innes: Yes. There is just one more question in regard to the Dairy Herd Improvement Plan. For some years there was quite a list of herds waiting to get on the dairy herd improvement list. Would the hon. Minister mind telling me if the department at the moment is up to date, and if all applications that are being received are accepted? Or is there still a waiting list?

Hon. Mr. Stewart: There is still a waiting list.

Mr. Innes: Would the hon. Minister mind telling me how long they should anticipate waiting before they could be accepted?

Hon. Mr. Stewart: Well, it is such a popular policy, and there are so many farmers wanting to get on the programme, that I do not know how to determine how many there actually are. There have been some waiting a while. There are those who drop out because they have qualified for ROP service; and then another farmer is taken on. We are trying to extend it as fast as we can but there are limitations to what we can afford.

Mr. Innes: Has the hon. Minister given any consideration to possibly asking a small remuneration fee from these owners, in order to possibly put more people, more men, on the staff? This actually is a wonderful way of boosting efficiency in our farm operations. This has been indicated by several people and I think it is a real step forward. It seems to me that, if a farmer applies, he should have reasonable assurance that he would be accepted in, say, one year, two years; how long would he have to wait right about now?

Hon. Mr. Stewart: Frankly, I could not tell the hon. member how long one would have to wait right now.

Mr. Innes: Six months? A year?

Hon. Mr. Stewart: It could be.

Mr. Innes: What is the average?

Hon. Mr. Stewart: I think there is a lot of merit in what the hon. member says as far as the matter—he is talking about such as a participating plan?

Mr. Innes: That is quite true.

Hon. Mr. Stewart: It would sound like a reasonable idea, and it might very well be that if the farmers who are interested in getting their herds on the DHI programme would signify their intentions for a participating plan, I think it would go a long way in helping us extend the service. I think that is a very good idea.

Mr. Innes: Thank you.

Mr. Manley: Mr. Chairman, on No. 10 of 108—rabies. We thought a year or so ago that we had rabies pretty well under control, but apparently there has been a new outbreak, especially in the eastern part of the province. I am just wondering, when I see this vote of \$20,000, if that is really going to take care of it.

I do not know of course what the department paid last year, but I understand that now it is purely between the provincial and the federal Departments of Agriculture. Mr. Chairman, we know that the greatest carriers of this disease are foxes and coons, and one or two other of the animals that go about different counties, and I was wondering if his department and The Department of Lands and Forests thought a bit about giving an extra bounty in order to destroy the animals that spread this disease.

It can, I think, run into an awful lot of money when it comes to payment for livestock today, especially if you get into the purebred cattle and the increased prices of dairy cattle in the province and I was wondering—I see the hon. Minister of Transport (Mr. Rowntree) laughing over there—but it is a serious problem, a very serious problem among the cattle breeders in this province.

I am wondering if it would not possibly save the two governments a considerable amount of money if we considered paying a pretty good bounty for foxes, coons, and other animals that are carriers of this disease. Possibly it would be better to go along with a plan of this kind, because our hunters today, at the price of pelts, are not too much interested in going out and hunting down those animals that are distributors of the disease. Possibly, if we could pay a larger bounty, we would give them the initiative to go out and destroy those animals.

I would like to hear the comment of the

hon. Minister with regard to this. I think it would be money well spent on the one hand, and save the money of the departments on the other. That is an idea I have, and perhaps the hon. Minister could elaborate a bit on it.

Hon. Mr. Stewart: Well, Mr. Chairman, the hon. member for Stormont (Mr. Manley) has raised a question that is of great concern to us. I think it is of concern to all people associated with the livestock industry because we know that this is a problem. As for the amount of money set aside here in the estimate—I notice it is \$20,000—the hon. member felt that would not be enough; is that it?

Mr. Manley: No; I do not think so.

Hon. Mr. Stewart: I do not think anyone knows but I will say that as far as we are concerned, if more is required we will go back to the Treasury Board and ask for more. We have obligated ourselves to this agreement on a 40-60 per cent basis with the federal government—we paying 60, the federal government paying 40. And this is the programme that will be carried out. If this is not enough, we will have to get more.

Regarding the matter of the animals, the wildlife the hon. member suggests, this is a point I have heard argued many times. There are the people who belong to naturalists' clubs, those people who are interested in wildlife and the preservation of wildlife and that sort of thing—these people oppose this very violently. They say it is the destroying of many harmless creatures that really have nothing to do with this at all.

I have heard it argued that, by paying a bounty—and this was suggested, I recall very well, in western Ontario when the epidemic came through before—that the bounties be increased substantially, it lent itself to arguments both ways in relation to whether it was a very effective programme or not. I think there may be merit in a practical way in what the hon. member says, and it is something we can give consideration to. It certainly affects the hon. Minister of another department of government, but I would not attempt to speak for him.

Mr. Manley: In other words, Mr. Chairman, I asked if the hon. Minister had spoken to the hon. Minister of Lands and Forests (Mr. Spooner), but apparently he has not

Mr. H. Worton (Wellington South): Mr. Chairman, I would like to ask the hon. Minister if it has been brought to his attention

that, in the settling of these rabies claims, I believe the veterinary who looks after the farmer's needs is brought in and then the federal veterinarian is brought in and they claim it is a rabies case. After they have claimed that, it is sent on to Ottawa for further examination and in some cases refused. This farmer in question was put to a lot of expense, burying the animal and cleaning his barn up, and then finds out he does not receive any payment. Are there many of those cases brought to the attention of the hon. Minister?

Hon. Mr. Stewart: I appreciate the hon. member raising that question, and I agree that that is a bone of contention with some farm people. I have one in my own particular area to whom, I think, this very thing that the hon. member suggests, happened. Frankly, there was not anything we could do.

The animal in question gave every indication that it was suffering from rabies. It was destroyed, and the farmer was required to dispose of it in the proper manner, and this very thing happened. I feel this is something perhaps we should take a look at.

Vote 108 agreed to.

On vote 109:

Hon. R. Connell (Minister of Public Works): Mr. Chairman, on vote 109, I would like to make a few comments to the House for a few minutes this evening—not speaking as a member of the Cabinet particularly, as much as speaking as one of the few fluid milk producers in this House. In so doing, I will be taking the position that the milk producers of this province should give serious consideration to the milk marketing plan as developed by milk producer leaders.

For some time now, many of the dairy farmers have felt that there was a need for a new approach to the marketing of dairy products and milk. This the government has also recognized, and I firmly believe that our present hon. Minister (Mr. Stewart) and the former hon. Minister of Agriculture have offered every assistance in getting the four milk groups together in order to bring an overall marketing plan into being in this province.

The government has realized for a number of years that the problem is no longer a matter of production, but has switched to the problem of finding suitable markets. I believe that the farm people in Ontario are fortunate that we now have, as Deputy Minister of Agriculture, Mr. Everett Biggs, who

is considered by most people as one of the best authorities on farm marketing in this province, particularly having to do with dairy products.

Present conditions in the dairy industry, having regard to the surpluses of dairy products and the decrease in per capita consumption of some of the dairy products, warrant immediate action. Butter surplus is at an all-time high. As wheat is the balance wheel of general farming, butter has always been considered the balance wheel of the dairy industry.

Forty-two per cent of the milk produced in Canada is processed into butter. The fluid or whole milk shipper is considered to be in a very advantageous position as far as dairy products are concerned, being paid a price of something over \$5 per cw.; whereas the other three sections of the industry are receiving roughly \$2.60 per cw. This, in itself, looks like a very great differential in the two prices. However, the difference is not as great as it appears.

The fluid milk shipper must, of necessity, ship considerably over his quota. Most fluid milk shippers are paid about 80 per cent of their quota at full price, and 15 to 20 per cent at the surplus price which is usually around \$2.60 per cw. One must always accept about 15 or 20 per cent surplus. This has the immediate reaction of bringing the \$5 per cw. milk down to about \$4.25.

The fluid milk producer must always keep his quota up the year round. This, quite often, costs the farmer considerable money in replacement of fresh cows at a time of the year when milk is in short supply. The fluid milk shipper must also produce milk with a very low bacteria count and, to do this, one of the prime requirements is good refrigeration equipment.

On the other hand, other sections of the dairy industry are being subsidized to some extent which helps decrease that difference between fluid milk and the other three branches of the industry. There is, however, a certain percentage of the producers who are only receiving \$2.60 per cw. for their milk, and have the ability to produce Grade "A" milk for the fluid market. Under the present system they may never get the opportunity to ship to the whole milk market.

If this milk marketing plan is to work, it must be accepted wholeheartedly by the four groups, and in order to assure the complete success of any milk marketing plan, there must be co-operation between the producers—the distributors and the processors in this province.

I would like to outline briefly, as follows, some of the changes that could take place under such a plan.

At the present time Ontario is unable to supply the orders received from the United Kingdom for Ontario raw cheddar cheese. More milk would be channelled to this segment of the industry and away from the manufacture of butter and powder, which is now in surplus supply. This is also most important since, as in the manufacture of cheese, the whole milk is used, including the butterfat.

More effective advertising and promotion could be undertaken, as each milk producer in the province would contribute to a fund for this purpose. We are, at the present time, being out-promoted by competitive beverages, and substitutes such as margarine.

Under a marketing plan, licence fees would be collected to create a fund which would be used to administer the plan and also cover the cost of advertising and promotion.

A stabilization fund, collected as a levy, could help greatly to export our surplus dairy products.

Quotas could be established to level off production, so that it would be more in line with the amount required for milk and dairy products.

Eventually, an elected provincial board of milk producers would be marketing the milk of this province. This would replace the existing four boards, and tend to give more efficient service, eliminating duplication. In initiating a plan, it is essential that there should be as little change as possible in existing conditions.

Considerable savings to the farmer could be effected by less duplication in transportation.

It is hoped that a marketing plan coming into effect in Ontario would encourage other provinces to do the same, as the same surplus problems exist outside of Ontario.

The price of milk to producers supplying fluid milk must remain at present levels as set out by formulae pricing. These producers must ship top quality milk and maintain a continuity of supply at all times.

The producers of some segments of the industry are not enjoying a reasonable standard of living. They are working long hours and have a large investment; and under a marketing plan there would be an opportunity to strengthen the now lagging price structure in the manufactured section through a unified industry approach.

More interest should be created in the school milk programme. Children would consume more milk if given the opportunity.

More research should be undertaken to keep pace with competitive products, some of which are being imported into Ontario and Canada, such as powdered cream and also grades of cheese not processed here, with a view not to have them restricted but to be manufactured here in Ontario.

I believe the Ontario government deserves a great deal of credit for the passing of legislation last fall, to have the butterfat differential made uniform over the province. This should help prevent differences of opinion regarding the various breeds and provide a uniform buying base with no price advantage to anyone.

A strengthening of milk marketing is necessary in Ontario. The government, through The Department of Agriculture, has provided ways for the dairy groups to get together.

The needed changes are recognized. I can say this as a milk producer. It is apparent that industry is closer to agreement than ever before. The government can only co-operate and help. The final decision will be up to the dairy farmers of this province.

My knowledge of the proposed common market of European countries is very limited; however, if Britain is included in this common market it could have quite a detrimental effect on many of our farm products, particularly the dairy products. I believe if we had a milk marketing plan as presented, we would be in a much stronger position to continue our exports as we have in the past. Great Britain needs these products and anything which we can do to improve our quality and our marketing, would assure a continuance of this market.

In conclusion, I am sure that I am speaking for the people of my riding when I say they are most pleased with the positive approach that the hon. Minister of Agriculture (Mr. Stewart) is making to this milk marketing plan; and although a great majority of producers in Wentworth country ship to fluid milk markets of either Hamilton or Toronto, I am sure they are going to endorse this new milk marketing plan.

Mr. Manley: Mr. Chairman, I am very glad that the hon. Minister of Public Works (Mr. Connell) has brought this question up. I know that we in my part of the province are very anxious that there be a milk marketing plan set up in the province of Ontario, because the majority of the people in my county are in the production of milk for cheese.

A number of things that the hon. Minister has mentioned are certainly true. I have before me a report of the dairy farmers of Canada and it is quite interesting to note the prices that are being paid at the present time to fluid milk shippers and those that are engaged in other parts of the milk producing industry. I notice that back in 1951, and I have the figures before me for 1951 to 1960, that the fluid milk price was \$4.27, where the other milk was \$2.94. In 1960 the fluid milk price was \$5.16—that is the average price I believe across the province—where the other milk was \$2.61.

Now that is almost double for fluid milk as compared to other milk. I suppose that this price has been established on a 3 to 5 per cent basis.

What I wanted to point out to the House—and I think it is of importance—this was the price in 1957, whenever John Diefenbaker took over at Ottawa. He did say: "Follow me and the farmers of this country will be looked after"; but I might say that we in the cheese-producing areas of the province were getting at that time \$2.80 as compared to \$2.61 at the present time.

Over the 10-year period, when the economy of this province was going forward in leaps and bounds, the producers of milk for cheese and butter found that we have taken a decrease over the 10-year period of 33 cents a hundred.

Now I just wonder where the justification is when a segment of the industry takes a decrease while others are taking an increase. I think it has been pointed out that the net income of the farmers today in the province of Ontario is lower than it ever was since records have been kept. I just wanted to point up a few of those things.

The costs are mounting all the time and as has been suggested by the hon. Minister of Public Works (Mr. Connell) it is about time, in my opinion, that we should have a milk marketing plan to take care of the marketing of milk in this province at this time.

Mr. J. P. Spence (Kent East): Mr. Chairman, I would like to ask the hon. Minister a question in regard to marketing boards. Not too long ago we had a vote on the corn plan in the province and as the hon. Minister knows, it was defeated. Of course, I would like to say that there was a great deal of resentment in regard to a different number on each of the ballots that were sent out to the growers. I would like to know, when the last vote on a marketing plan was taken by mail, who decided to put a number on

each ballot, which was resented by quite a number of growers in southwestern Ontario?

Hon. Mr. Stewart: Frankly, I will have to get that information for the hon. member, but I shall find it and furnish it to him.

Mr. Gordon: May I ask the hon. Minister a question, a very simple one? What is a six-quart basket of peaches? It is a very simple question, Mr. Chairman, what is a six-quart basket of peaches?

Hon. Mr. Stewart: What is a six-quart basket of peaches? Well, I would suppose it would be a six-quart basket of peaches.

Mr. Gordon: I have in my hand here an ad. that appeared in one of the metropolitan newspapers, in fact most of the papers across the province. It has a picture of trucks as far as you can see down the road, and these trucks are loaded with peaches. I will not mention the supermarket they belong to. At any rate, they say that this is part of the cavalcade of trucks and trains that are carrying four million baskets of peaches to all parts of eastern Ontario.

"This order is the largest individual order placed with growers. Peaches picked yesterday will be on sale tomorrow" and so on.

Now, sir, those peaches I have here were sold at 75 cents for a six-quart basket, 73 cents for a six-quart basket. At that price for those peaches, they were just fooling the people, they were deceiving the people. The people were getting a very small basket of peaches, although it is called a six-quart basket of peaches. Those peaches have only two layers and on top of the first layer is a piece of cardboard and the top layer are placed in nice little cups. It is a very small basket of peaches, but it is called a six-quart basket of peaches.

Many of us in the business sold peaches, a six-quart basket of peaches, one-third more peaches, for 89 cents. Because it was a three-layer basket of peaches with a collar around the top. I think that the department should define what a six-quart basket of peaches is and not let the people be fooled by this; because they certainly were.

Another question in connection with the inspection branch of the hon. Minister's department. In connection with the marketing of tomatoes from the Leamington area in the early spring, the merchants are really taken for a ride on that. You pay \$4.50 to \$5 for a 15-pound basket of tomatoes, you take the lid off and there is not one of them that you can sell; they are half green, they

are miserable looking things. No. 1 they call them and it takes two weeks to have them ready to sell and by that time they are not worth \$2.50.

Now whoever inspects those tomatoes and puts this stamp on them, they should be changed to another job because they do not know what they are doing when they put a stamp on green tomatoes to be sold as ripe tomatoes. They are just fooling the people again, but the merchant takes the licking in this case.

Those are two questions. I might say I know of one inspector who—I do not know how he came to be an inspector because he never grew a tomato in his life—and maybe that is what is wrong with the department.

Those are just some remarks in connection with our inspection branch and with the matter of fooling the people with small baskets of peaches. Mr. Chairman, surely we can have an answer on that now. What is the hon. Minister going to do about it? Is he going to allow them to get fooled again next year? What is a six-quart basket of peaches now?

Hon. Mr. Stewart: If the hon. member, Mr. Chairman, is referring to the fact that there is misleading advertising going on—is this it? Is he saying that there is misleading advertising—

Mr. Gordon: I have just brought to the hon. Minister's attention—and here is the advertisement, here is the picture of the peaches and there are only two layers in a basket. On the other hand, other merchants have 6-quart baskets of peaches. We advertise 6-quart baskets of peaches. When the housewife sees 73 cents, she thinks she is going to get a bargain. When she sees 89 cents she thinks she is paying too much.

But in this case, when she pays 73 cents or 75 cents, she is paying too much. She is getting a real bargain and good value on the 89 cent basket. I think that what the hon. Minister should do is define what is a 6-quart basket of peaches—

Hon. Mr. Stewart: Misleading advertising is handled by The Food and Drug Act of the federal government.

Mr. Gordon: —so they get good value for their money?

Mr. MacDonald: Mr. Chairman, I want to come back briefly to the question of the—

Hon. Mr. Stewart: Mr. Chairman, I gave him the answer.

Mr. MacDonald: Mr. Chairman, I looked at the hon. Minister and he said he had given the answer, so I was accepting his word for a moment. Now I am proceeding.

When I commented this afternoon on the Ontario Farm Products Marketing Board, I prefaced my comments by stating that I was not going to deal in personalities either past or present. I wanted to deal with some of the basic principles involved in the board. That is the reason I was a little surprised, and suggested the hon. Minister was rather unfair in his outburst, when he was presumably replying to my observations.

The question I was raising was the conflict involved in fixing the same board with judicial and administrative responsibilities. It would be just as unfair for the hon. Minister to attack Mr. Justice Wells, for his observation with regard to the members of the milk control board some 15 years ago, as impugning their integrity, as it was for the hon. Minister to say what he did in his comments this afternoon.

Mr. Chairman, if I may just draw a brief analogy, I want to come back to this question with the hon. Minister. If he takes the labour relations board, which is roughly a comparable body, fulfilling something of the same functions on the labour side as compared to the Ontario Farm Products Marketing Board—overseeing the collective bargaining rights of labour as compared with farmers. If, for example, in the dispute that has gone on now for some months, between the steel workers and mine mill in Sudbury, the Ontario Labour Relations Board had been involved almost as a participant in that dispute, on the scene, intervening in the day-to-day administration of the union, engaging in propaganda effort and going out and trying to argue the case with one side or the other, I think one could have legitimately come to the conclusion that that board then would have destroyed its capacities for acting impartially in its judicial function. So I come back to the point that I asked the hon. Minister this afternoon, a point that is underlined by the observation by Mr. Justice Wells in a comparable board some 15 years ago. I ask the hon. Minister, does he not feel that a board which has been given these conflicting functions—quasi-judicial and administrative functions—is faced with an impossible task of doing both jobs well?

Hon. Mr. Stewart: I would say, Mr. Chairman, that the hon. member's point is very well taken. It is one to which we will give consideration.

Mr. MacDonald: Mr. Chairman, I deeply appreciate what the hon. Minister says tonight. I wish he would go back and look at the tirade, the diatribe, he poured at me this afternoon when I said essentially the same thing as I did now.

Hon. Mr. Stewart: The hon. member said a lot more things—

Mr. MacDonald: No, I did not say anything more than this.

Hon. Mr. Stewart: Oh, yes he did.

Mr. MacDonald: I did not at all.

Mr. Singer: Mr. Chairman, on looking over the public accounts and examining some of the names and not expounding on agriculture. Just analysing some of the public accounts for the benefit of my hon. friend from St. Andrew (Mr. Grossman), there is a man shown here by the name of G. F. Perkin who was paid in the year 1960-1961, \$11,999.98, I presume as a salary. Then the same gentleman, apparently, under the markets branch, is given an allowance of \$2,788.80 for travelling expenses and the same gentleman further on is given a further travelling allowance of \$2,299.50. Now I wonder if the hon. Minister could tell us why Mr. Perkin, who seems to be the best paid gentleman in the markets branch, draws two travelling allowances and why they are listed under two separate items.

Hon. Mr. Grossman: Probably a district Liberal organizer.

Hon. Mr. Stewart: Mr. Chairman, I am pleased that my hon. friend has raised the name of the respected gentleman, Mr. Perkin. I know no man in the province of Ontario who has devoted more, as a civil servant, to the interests of marketing than has my friend, Mr. Perkin. I would suggest, Mr. Chairman, that this man, whose salary is quoted here and who is listed by my hon. friend as having three travelling expense accounts here—

Mr. Singer: Two!

Hon. Mr. Stewart: Two, was it? If there were two I suggest this, that Mr. Perkin went overseas at least twice that I know of in the last year. He has been responsible for getting Ontario products into more markets and exhibitions and shows than any other man that I know. I would say that he is a man of modest habits and—I can assure the hon. members of this House, Mr. Chairman, that if this is the expense account which he

rendered, it is exact to the cent as to how much was spent in his travelling expenses. Now, my hon. friend is suggesting—and I wonder if this is what it is—that he is getting too much in travelling expenses. Is this what he is going after?

Mr. Singer: No! No! It just seems to me more than passing strange, Mr. Chairman, that Mr. Perkin—and I am advised by many of my hon. colleagues here that he is an excellent gentleman, as fine a man as the hon. Minister described him—that his expenses would not be listed in one account. It seems to me that there must be something more than meets the eye, when the account has to be broken up into two parts.

Hon. Mr. Stewart: I think if my hon. friend will note in the public accounts, the marketing branch and the markets branch are included in one item. Under the estimates we have the farm products marketing board, the farm products inspection service, the marketing development branch and the co-operators' branch. All of these, I believe, are under the public accounts, if I am not mistaken, as they are listed here. Now they were broken up this year in order that we could better assess objectives and purpose, the activities of each of these specific projects. I would think that the hon. member could easily find why Mr. Perkin's expense accounts are in more than one of them, because he operates in more than one field. As his expense account was a certain figure for a certain project, it might very well be listed as a certain amount for another project.

Mr. Singer: Mr. Chairman, perhaps I can drive my point home a little more clearly with this example: there is another gentleman by the name of Mr. B. P. Teasdale, who gets a salary of \$9,499.92 and he is shown as drawing a salary under the farm markets board and co-operative loans board. Now, under travelling expenses, Mr. Teasdale draws \$1,602.11, under that branch. If we go over to page A-25 under the administration and enforcement of plant diseases in The Farm Products Grades and Sales Act, the same gentleman, apparently, because it is the same name and the same initials, draws the additional sum of \$1,602.11, which by coincidence is exactly the same sum. Now it would seem to me, Mr. Chairman, that the coincidence needs a wee bit of explanation. It would seem to be that someone has taken a total sum and divided it by two and put one in each half.

Mr. Teasdale has a job, I would presume, either in the one branch or in the other and I

would like to hear the explanation of the hon. Minister for it.

Hon. Mr. Stewart: I think the reasonable explanation that could be given here is that the travelling expenses were split in two figures and listed here because I want to say that the gentleman under question was a member of the farm products marketing board, he is chairman of the co-operative loans branch and also is an administrator of The Grain Elevator Storage Act.

All of these things require a considerable amount of travelling expense, all of them. I do not think it is unreasonable to suppose that the total travelling expenses of the gentleman involved was so divided as listed here in the public accounts, showing so much for one. If they had all been put under one, it would be wondered why he did not have any expenses if there were none shown for him. I do not think there is anything out of order at all in the matter whatever.

Vote 109 agreed to.

On vote 110:

Mr. Bryden: Mr. Chairman, all things come to those who wait. You will recall that a number of hours ago, some time this afternoon, I was on the verge of discussing the question of meat inspection under vote 101, I believe it was. It was pointed out to me I had the wrong vote and I should wait until 110, which I have managed to do.

I was pointing out, Mr. Chairman, that this whole issue was brought to the attention of the public very dramatically early this year when it was disclosed that a substantial quantity of meat which was not fit for human consumption had been put on the market in Toronto; and that apparently such a thing has been going on quite regularly. Admittedly the quantity of meat involved is only a small portion of the total quantity of meat sold, but the fact that any meat that is unfit for human consumption should go on the market at all is, I think, a matter of real concern to the citizens of this province and particularly to the citizens of the large urban areas where I believe the meat is most likely to be disposed of.

The reaction of the government when this disclosure was first made was quite typically to pretend that the whole problem was not there. For example, in the Toronto *Daily Star* of January 6, 1962, the hon. Prime Minister (Mr. Robarts) of the province was quoted as follows, and I will read this short item—I will read it all into the record. The

headline incidentally is: "Meat Case a Detail—Robarts" and the text of the story is:

When Premier John Robarts was told last night of New Democratic candidate Stanley Bullock's charges that poor enforcement of The Dead Animals Disposal Act was responsible for the bad meat case he replied:

—and this is attributed to him as a direct quote—

"An administrative detail. This has to do with the mechanics of the enforcement of the Act and I don't know anything about it."

Now, Mr. Chairman, I would submit to you that there is an example of complacency enthroned. A serious situation is brought to the attention of the public and the hon. Prime Minister of the province says: this is a matter of administrative detail. Of course, the government could not very long maintain that sort of a position. The public outcry was so great that it was inevitable that something better, if possible, should come from the government.

So, the next contribution we have from the government was the fatuous suggestion that their Act, entitled The Dead Animals Disposal Act, had assisted in bringing this situation to light—I will deal with that in a little more detail in a moment, Mr. Chairman. The plain fact of the matter was that the situation was brought to light through co-operative action by the Canadian Association of Consumers, the Food and Drug Directorate and the Royal Canadian Mounted Police. I suspect it came to the provincial authorities as big a surprise as it did to everybody else.

I will indicate in a moment that I really do not think that their Act helped the situation very much. I will make one concession since the substitute Prime Minister seems to be getting a little concerned about my assertion. It may have assisted when we came to the actual point of prosecution but it was of no use at all, and in fact possibly even harmful, as far as the development of the overall situation was concerned.

Hon. Mr. Stewart: Mr. Chairman, would the hon. member permit a question? When did the Canadian Consumers Association first raise this point, at what date?

Mr. Bryden: What point? What point is the hon. Minister referring to?

Hon. Mr. Stewart: This matter that the hon. member just referred to.

Mr. Bryden: Well, the whole question of the dangers arising from the lack of adequate inspection of meat has been a matter of public concern off and on for a good many years. Two or three years ago a deputation from the Toronto city council for example—

Hon. Mr. Macaulay: Is the hon. member going to answer the question the hon. Minister asked?

Mr. Bryden: Well, he asked when was this matter raised? I am talking about when the matter was raised; it has been raised off and on for years.

Hon. Mr. Stewart: May I make myself, I trust, more clearly understood by the hon. member? He referred to the Canadian Consumers Association raising the matter of inspection under The Dead Animals Disposal Act, and the matter of the tainted meat issue, and said that it was as much of a surprise to the provincial authorities as it was to anyone else. Now I ask the hon. member: what date was that?

Mr. Bryden: What date was what—when the provincial authorities became surprised? I have been under the impression that they are in almost a perpetual state of surprise.

Hon. Mr. Stewart: Oh, no. I want the answer to this one, Mr. Chairman.

Mr. Bryden: The hon. Minister can give his own answers whenever he likes.

Hon. Mr. Stewart: In other words, the hon. member does not know?

Mr. Bryden: I do not know what? I know, Mr. Chairman, and I have already stated that the matter came to light through the activities of three agencies which I have already mentioned; and I suggested that it may very well have been as big a surprise to the provincial authorities as it was to the public at large.

If it was not, then the hon. Minister can advise us that he was not surprised when it came out, that he knew about it in advance. But certainly the sort of reaction and statements we got from representatives of the government indicated a state of surprise even to the point of total confusion—

Hon. Mr. Stewart: Mr. Chairman, I insist on this question being answered. Now the hon. member has made an insinuation that we did not know anything about—

Interjections by hon. members.

Mr. Bryden: On what basis—I do not have to concede the floor to—

Mr. Chairman: Order.

Hon. Mr. Stewart: I want the answer, Mr. Chairman.

Mr. A. F. Lawrence (St. George): Mr. Chairman, on a point of order, I think if an hon. member of this House refers to something that has been written by someone else, especially if it is referred to in a public periodical, he is required by the rules of the House when requested to give the authority and date and the source from where it comes. Has the hon. member got the date?

Mr. Bryden: Mr. Chairman, I have heard some fat-headed points of order in my day, but I have referred to date, to one publication only and that was the *Toronto Daily Star*; I read the entire extract into the record. If I forgot to give the date, the date was January 6, 1962, an item in the *Toronto Daily Star* quoting the hon. Prime Minister of the province (Mr. Robarts). Whether he was correctly quoted or not I cannot say, but that is what the *Toronto Daily Star* said.

Hon. Mr. Stewart: Mr. Chairman, I asked a question and I would like an answer.

Mr. Bryden: I do not have to give an answer any more than the hon. Minister does; but as far as I am concerned, Mr. Chairman, I answered any question I was asked.

Hon. Mr. Stewart: If the hon. member does not know, then why is he making that statement? What is he so sensitive about?

Mr. Bryden: It would take the wisdom of Solomon to decide what the hon. Minister's question was; but as far as I could understand it I have answered it already, and if I have not he can answer it himself. I suspect it was, in any case, a rhetorical question. He will have his opportunity to make his speech as soon as I am through, and if he would just leave the matter alone I will be through all the more quickly.

Now, after the first reactions of the government to the matter, we suddenly found the very energetic hon. Minister of Health (Mr. Dymond) injecting himself into the situation; and he made a substantial variety of statements which I will not attempt to quote in total, but they varied all the way from saying that the situation is terrible, there is no inspection at all, to saying that, of course, nothing has been proved yet, and then to saying that we must go ahead and

establish some sort of provincial inspection system if the federal government will not establish an inspection system.

Hon. Mr. Macaulay: Mr. Chairman, on a point of order, I think that in view of the fact that the hon. gentleman has asserted that the hon. Minister who is absent has made certain statements, that it would be well befitting the hon. gentleman if he would now make the statement that the hon. Minister is said to have made and give his source so that we, at least, have it on the record.

Mr. Bryden: Well, I will be quite happy to do that. I may say I do not take any responsibility for the absence of the hon. Minister of Health. I have no doubt that he is away on perfectly legitimate grounds, but I will not refrain from making comments about him merely because he is absent.

I had hoped I could abbreviate what I was going to say by not bothering to quote these things, but I will quote some of the hon. Minister's statements.

Mr. Lawrence: Quote them all.

Mr. Bryden: Well, I am not sure that I have them all because he made a great many.

Hon. Mr. Macaulay: Well, let us have the four the hon. member referred to.

Mr. Bryden: Well, the one that I had in mind, in particular, was in the *Toronto Daily Star* of January 25, 1962.

Provincial Health Minister Dr. Matthew Dymond said last night that if the federal government's meat inspection system cannot cover all meat in Toronto then we will have to go ahead provincially. Dr. Dymond told the Progressive Conservatives at East York: "Our aim is to have all the meat in the province intended for human consumption inspected. If it cannot be done federally we will have to go ahead provincially." He said the recent bad meat cases—

and let us remember nothing has been proven yet, these cases are still before the courts:

—the recent bad meat cases indicate nothing wrong with the inspection system as far as it goes. "These men were not supposed to be producing meat for human consumption," he said. "If they did they broke the law and all the inspection in the world would not have caught them. Policing would, and if what we are told is true, it did."

And then he went on to discuss other matters.

Then in the Toronto *Daily Star* of January 11—this is a little earlier, I had these out of order.

Ontario is hoping the federal government will assume responsibility for inspecting all meat sold in the province, Health Minister Matthew Dymond indicated today.

Mr. J. R. Simonett (Frontenac-Addington): What date was that?

Mr. Bryden: January 11, 1962, it is a couple of weeks earlier than the other one I read. I had these mixed up as far as the order was concerned, but the substance is the same.

At the conclusion of the Cabinet meeting at which the sale of meat unfit for human consumption was discussed, Dr. Dymond announced he has accepted federal Health Minister Waldo Monteith's invitation to meet him and other Health Ministers for a discussion. If Ottawa does not agree to accept responsibility for inspecting all meat sold in Canada, said Dr. Dymond, then we will come back and discuss what might be done at the provincial level. . . . He said, however, that no date for a meeting had been set.

This is very common, I have found, in dealing with Conservative Cabinet Ministers. They are always going to have a meeting to discuss an urgent problem but the date of the meeting hardly ever seems to get set.

Then on February 23, 1962, and the hon. Minister in charge of the Liquor Commission (Mr. Grossman) will be glad to know that this one was in the *Telegram*.

Hon. Mr. Grossman: Much better source.

Mr. Bryden: I quote:

Health Minister Dymond, declaring meat inspection has never been under provincial authority, last night defended his conduct in regard to the alleged sale in the province of tainted meat for human consumption. He told a reorganization meeting of the Whitby Progressive Conservative Association that responsibility for meat inspection was exclusively with the federal government. "As Health Minister I have no power to inspect nor has the Health Department any such authority," he said. He added that the Health Department does not enforce The Public Health Act which was laid down for the guidance of municipal authorities. Local medical officers of health under the Act might close any

slaughterhouse not measuring up to health standards.

So I have indicated that there seems to be a certain amount of inconsistency and confusion as far as the statements of the hon. Minister of Health were concerned, but I suspect that the inconsistency and confusion basically went back to the Cabinet itself. It was not really the responsibility of the hon. Minister. It would appear that the impulse of the hon. Minister was what I would consider to be the correct one. It was to ensure that all meat that is sold for human consumption in this province is inspected to make certain it is fit for human consumption. This is the issue that the government has persistently refused to face up to, certainly for as long as I can remember.

I think it was at least two years ago and possibly more that representatives of the city council of the city of Toronto came to the government expressing concern with regard to the problem of tainted meat and the possibility that it could get on to the market, and asking that the provincial government should take some responsibility for inspection of all animals that are slaughtered and all meat that is sold for human consumption. The answer the government came up with was The Dead Animals Disposal Act, which ostensibly provided for certain controls respecting the disposal of animals that died or were fallen or in other ways had to be disposed of and were not fit for human consumption.

Hon. H. L. Rowntree (Minister of Transport): Might not have been.

Mr. Bryden: Might not have been—I do not quite get the significance of the distinction but I will accept the hon. Minister's suggestion.

The Act provides for a licensing system, but as far as I have been able to determine from any inquiries I have made there is no machinery to ensure that the terms under which the licences are granted are complied with. There is a provision in the Act for the appointment of inspectors, but certainly as of six weeks ago no inspectors had in fact been appointed under this Act. The formal requirements of the Act have been met in that the provincial veterinarian, I believe, and the assistant veterinarian have been designated as inspectors under the Act.

But surely, Mr. Chairman, that does not meet the situation at all. I am certain that those men already had at least full time responsibilities before they were given this very important additional responsibility. I

repeat my contention that in fact, whatever the formality of the situation may be, there is no inspection under the Act at all. There are no steps taken on anything but the most sporadic basis to ensure that licence holders actually comply with the terms of their licences, and that is the reason we are in the mess we are in now.

The government has claimed that its Act has been useful in controlling the situation. Well, I conceded to the hon. Minister of Energy Resources (Mr. Macaulay), who is acting as House Leader tonight, that it may have been helpful in the actual prosecutions; but as far as the control of the total problem is concerned, I submit to you, Mr. Chairman, that this Act has served as a shield behind which unscrupulous operators can carry on their nefarious activities. When a person gets a licence, he is given an aura of respectability; he now becomes a licensed dealer holding a licence from the province of Ontario. To almost any person, that would make it appear that he is a reputable and reliable dealer. But no steps are taken to ensure that he is, in fact, carrying on business in accordance with the requirements of his licence. As a matter of fact, the people prosecuted with respect to this tainted meat case, in most instances, were licensed dealers under the Act.

This provision for licensing, as it has been administered, has done more harm than good, and it has been a factor in permitting the sort of situation to develop that has actually developed. My contention is, and I believe that the hon. Minister of Health was right in the first instance, that somebody should take responsibility for seeing that all meat that is put on the market for human consumption should be inspected. My own point of view is that the best procedure would be to enact whatever legislation is necessary to make the federal government inspection applicable throughout the province.

I am not at all familiar with the constitutional niceties of the situation but, as I understand it, the federal government can require inspection only in plants whose meat is going into interprovincial or international trade. It can provide its inspection services on a voluntary basis to other plants, but it cannot require them to submit to inspection.

If I am wrong in that, I will no doubt be corrected, but if it takes action by the federal government to bring all the plants under federal inspection, then I certainly think we should press for that action. Certainly the action should be taken. This is according to any authorities whose opinions I have read. This is a very serious matter of public health.

I must say that I cannot entirely accept the proposition that was put forward in this House a few days ago by the hon. member for Brant (Mr. Nixon) who stated, and I will quote from his remarks as reported on pages 602 and 603 of *Hansard* for February 26, 1962:

I would like to draw to your attention that, in order to come up to the levels required by the federal meat inspection policy, it is necessary for very expensive and far-reaching improvements to be made to the many small slaughter-houses in operation in Brant county, as well as the other counties throughout the province. I believe that to come up to the standards of the federal inspection, is financially out of the question for these small abattoirs.

—and then a little further on he says—

I personally feel, and certainly I am speaking for the people concerned in our county, that the consumer must be protected, certainly, by a very careful meat-inspection process, I would say, under the auspices of the provincial government, with levels of inspection which can be attained by these smaller abattoirs.

Now, I have—

Mr. Nixon: The two ideas are not mutually exclusive, are they?

Mr. Bryden: No, they are not mutually exclusive, but—

Mr. Nixon: Then something in between this can be achieved by this government.

Mr. Bryden: Well, Mr. Chairman, I have all the sympathy in the world for a small operator, in this as in any other field, but I do think that when we are dealing with public health, the protection of the public must be paramount. As I understand it, federal inspection services are provided free of charge. However, the federal government does insist, in providing its services, that there be certain standards of plant operation. It is my understanding that the federal government imposes those requirements because it considers them to be essential in carrying out the inspection function and in protecting the public.

I am no authority on these matters, but I would submit, sir, that the federal government, perhaps, is an authority on it, or it has people who are authorities. If these standards are truly the standards required to ensure complete public safety, and complete public protection, then they ought to be complied with. If they are unnecessarily

restrictive, then I think that the federal government should be asked to take another look at them.

Interjections by hon. members.

Mr. Bryden: Well, the hon. member for Sudbury (Mr. Sopha) knows a lot more about backing dead horses than I do, but I submit, Mr. Chairman, that considerations of the financial resources of a particular operator should not be allowed to induce us to ask for less stringent inspection than is required. As I say, I am not prepared to state whether it is absolutely essential to comply with the federal standards.

My impression, as a layman, would certainly be that it is; or otherwise the federal government would have not imposed those standards. I feel that we have an excellent inspection service at the federal level and we should make that available within the province of Ontario by passing such enabling legislation as may be necessary to permit federal inspectors, who are well qualified, to inspect plants that are not now under the federal jurisdiction.

It has been a matter of very great regret to me, Mr. Chairman, that we have had no policy statements from the government at all on this matter. Yet it came to the attention of the public in a dramatic way—and I would judge, from what the hon. Minister is saying, to the attention of the government even sooner—several weeks ago, in fact, about two months ago. It is surely a matter of urgent public concern, so why has there been no apparent action, no policy statements from the government, in fact practically no statements at all—except excuses on the one hand and rather confusing statements from the hon. Minister of Health?

This is a matter which I think the hon. Minister ought to explain more fully, and I would hope that he might be in a position at this time, during his estimates, to make a statement of government policy with regard to this very important question of the protection of the public against the sale of tainted meat, particularly in restaurants and institutions where it is not easy for the public to determine the nature of the meat they are getting.

Hon. Mr. Stewart: Now, Mr. Chairman, our friend the hon. member for Woodbine (Mr. Bryden) has made some rather sweeping charges and sweeping statements in what he has said here. He led off with something that really causes me concern, saying that this is a very serious matter of public health. I ask him if he can give me one single

example of illness that has been traced in any way, shape or form to the sale or use of this so-called tainted meat to which he has referred?

Mr. MacDonald: That is like the hon. Minister of Energy Resources (Mr. Macaulay) who said there were no accidents with gas, and the next week five people were killed.

Hon. Mr. Macaulay: Well, nobody has been killed in this.

Hon. Mr. Stewart: I would suggest, Mr. Chairman, that—

Mr. Bryden: The hon. Minister of Health has stated that it was a serious problem in the public health field. There is no question of a doubt about this.

Hon. Mr. Stewart: I am not arguing the point of what the hon. member said. I am saying that he is magnifying the problem. I would suggest, far beyond reason. I would like to point out a few things in answer to the charges that have been made. My hon. friend—and I did my best, Mr. Chairman, but could not get the answer from him as to when it was that the Canadian Consumers' Association and the RCMP were supposed to have reported this to the public as a great matter of public concern, and not once did the hon. member suggest when that date was.

Mr. MacDonald: Well, when then?

Hon. Mr. Stewart: I will tell him when. As far as we were concerned, we knew about it. And I want to go back to the beginning of this Act, because this Act came into force on July 1, 1960.

I would like to say it was first necessary to contact in person all individuals engaged or purported to be engaged in the businesses of collecting or processing dead and fallen animals. Inspections revealed in the majority of cases structural and sanitary improvements were required before issuance of licence could be recommended. It was felt that the first requisite was to have plants and collection vehicles meet the required standards.

As the activities of these men had not been regulated previously, it was decided to allow a period of time to make the necessary improvements and I think that is quite understandable. In many instances this meant the installation of sewage disposal systems, and in some instances the construction of a new plant. In all cases collecting vehicles had to be altered.

This was brought about by the fact that there had been complaints coming to the department about some of these collecting places for dead animals and fallen animals around the country from an unsanitary standpoint. It was felt that from that standpoint and from the problem of the spread of disease, these trucks that might go from one farm to another could spread disease, if proper precautions were not taken. And this was the basis of bringing in this Act.

The majority of the licences that were issued under this Act were issued between the period of late October, 1960, and the end of December. As a result of the problems encountered during some of the inspections, it was decided that an inspector should not be alone when performing his duties. In the course of our inspection—and this is written by the chief inspector, Dr. Harold Worton—observations were made and information received which led us to suspect that the activities of certain licensees and others were questionable. This information was supplied to the livestock commissioner with a request that the matter be referred to the Ontario Provincial Police.

The hon. member would not give us an answer when he referred to the fact that it was the consumers association and others in the province—and I am not sure whether he included himself and his people or not—that they knew about it before we did, and our inspection service was not indeed effective in carrying out the regulations of the Act. The first contact with the Ontario Provincial Police was made in February, 1961, a little more than a month after the inspection service was instituted after the issuance of the licences. That is how quickly we got into action.

Mr. Bryden: Well, is the hon. Minister suggesting then that all this unfit meat came on the market after this? And if he was so much on his toes, why did he not stop it coming on the market?

Hon. Mr. Stewart: Let us conclude that in this country a man is not guilty until he is proven guilty and one has to produce the evidence.

Mr. Bryden: Under your kind of legislation, but inspection would stop it.

Hon. Mr. Stewart: Inspection did stop it. It would not matter if you had 100 per cent inspection going on, you would have to put an inspector on the job 24 hours a day with every one of the licensees if you are going

to do the kind of thing the hon. member is suggesting. That is what it would mean.

Mr. MacDonald: May I ask the hon. Minister a question? He refers to inspectors that were on the job. Now my information up until now was that no inspector had ever been appointed.

Hon. Mr. Stewart: Oh, yes. There were two inspectors appointed under the Act.

Mr. MacDonald: The chief veterinarian is the man formerly responsible, and his assistant. Is the hon. Minister saying that these were the men that were going around inspecting? The chief veterinarian of the province?

Hon. Mr. Stewart: The chief veterinarian and his associate were designated the inspectors under the Act.

Mr. MacDonald: They were the people who did the inspecting?

Hon. Mr. Stewart: Yes, these were the people who did the inspecting.

Now then, as more information of this nature was accumulated, arrangements were made through the OPP to contact all district inspectors in southern Ontario for the purpose of enlisting their aid in enforcing the Act. This was done, and as the result of the co-operation of the OPP, three persons have been charged with violations under The Dead Animals Disposal Act.

In enforcing The Dead Animals Disposal Act, we have co-operated with and received co-operation from the food and drug division, Department of National Health and Welfare; the health units and health departments of the Ontario Water Resources Commission; and also provided the Royal Canadian Mounted Police with any available information they have requested. It is our understanding that the RCMP investigations were initiated in June of 1961. However, no charges were laid prior to January, 1962.

I want to suggest, Mr. Chairman, that it is not easy to get the kind of evidence that will offer proof in a case of this kind. I suggest, Mr. Chairman, that in all Acts which are brought in—it would not matter what the Act was—it is the duty of the police when they have been notified that there is some discrepancy under the Act, to deal with it. And this is what was done.

Evidence revealed in court cases to date shows that charges were laid on the basis of information obtained by RCMP officers working as undercover men posing as meat buyers.

In one case the court evidence disclosed that an informer accompanied the undercover man in making his initial contact.

Now, I would think, Mr. Chairman, that if you are going to suggest we have inspectors to the degree that the hon. member suggests we should have had, then I think we are going to have to provide an inspector or a police constable, if you will, for every motorist in the province of Ontario. The same kind of thing applies. It cannot be done any other way.

One of the traffic directors of a police department of a municipality in the province of Ontario the other day made the comment that he realized there were accidents and there were violations of The Traffic Act within his municipality. But he said "I wish the public would realize that the municipality cannot possibly put a police officer in the back seat of every car on the road today." And this is the only way, to my mind, one can determine that people are going to observe the letter of the law.

This is our interpretation of how the Act should be administered and we feel that it was administered in accordance with the intent with which it was drawn up.

Mr. MacDonald: Mr. Chairman—and I am saying this in careful measured terms—the hon. Minister of Agriculture has wittingly or otherwise misled this House, and I challenge this government to have an investigation and bring the authorities from the federal department down here and we will find out what happened.

What the hon. Minister has said is, in effect, that the passing of that Act, and action by the provincial police, resulted in charges. He said along the way—and I would have to see the detail of his statement before I could recall it—that the RCMP got into the picture somewhere in June of 1961. Mr. Chairman, this is utter and complete nonsense, and if the hon. Minister does not know it he has been asleep at the switch and the people who have been advising him have been asleep at the switch too. Because the RCMP through the food and drug division have been investigating this situation for years. And when the people from the Toronto city council came to the government two years ago they came because they had been informed by individuals in the trade that tainted meat was being sold. This government in its wisdom, now proven to be lack of wisdom, refused to negotiate with the federal government to get extended inspection of meat. What they did was to pass The Dead Animals Disposal Act.

And the interesting thing is this, Mr. Chairman: They passed it in the session of 1960. It was proclaimed on April 14, 1960. The hon. Minister now tells us that it came into effect on July 1, 1960, and the inspectors got on the job about January 1, 1961, because he said the first charge—or the first details—they found were in February. In other words, this government took a full year to get into operation and to get out and do any inspecting under their own Act.

However, the crux of the issue, Mr. Chairman, is this—

Hon. Mr. Stewart: Mr. Chairman, on a point of personal privilege, that is not the case and that is not what I said.

Mr. MacDonald: What did the hon. Minister say then?

Hon. Mr. Stewart: I said simply this, that the Act did come into effect on July 1, 1960, but that a period from then until the end of the year was required to allow the people concerned—those who would be making application for licence—to get their premises and their equipment in shape to come up to the standards laid down under The Dead Animals Disposal Act. Now that is what I said right here in this letter—

Mr. MacDonald: Yes.

Hon. Mr. Stewart: —and when the licences were issued, then inspection took place of the licensees quarters and that took place following the issuance of the licence.

Mr. MacDonald: They could not go out and inspect the man before he was licenced?

Hon. Mr. Stewart: Thank you, Mr. Chairman. We referred our first charge to the OPP on February 8, 1961 or thereabouts.

Mr. MacDonald: Mr. Chairman, I do not know whether we will ever get the details of this because the details can be gotten only if we have an investigation. But I will ask the hon. Minister to do this: will he table in the House the reports of the inspectors in his department?

Hon. Mr. Stewart: That is a question I will take under advisement.

Mr. MacDonald: Okay, let him take it under advisement and we will come back to it.

An hon. member: What does he mean, take it under advisement?

Hon. Mr. Wardrope: Does the hon. member think he can dictate the terms?

Mr. MacDonald: Mr. Chairman, the fact of the matter still is this, and let me repeat it. That responsible officials of the Toronto city council came here and told the hon. Minister, or his predecessor, and the hon. Minister of Health (Mr. Dymond) that they had information that tainted meat was being sold for human consumption—

Hon. Mr. Wardrope: Where?

Mr. MacDonald: Here, in the city of Toronto.

Mr. Bryden: Why did they not stop it?

Mr. MacDonald: Mr. Chairman, will you please ask that noise up there to be quiet?

Hon. Mr. Goodfellow: On a point of privilege.

Mr. MacDonald: All right!

Hon. Mr. Goodfellow: All the city of Toronto has to do is pass a by-law that only inspected meat can be sold and they can correct the situation in the city of Toronto.

Mr. MacDonald: All right. This is the interesting thing, Mr. Chairman, we have an almost endless series of interjections and excuses to try to get the government off the hook, but the fact of the matter is that the government is on the hook—and this is the point—they are squealing because they are on the hook.

Hon. Mr. Stewart: Oh, no!

Mr. MacDonald: The hon. Minister had this information given to him. Did he say to the people of the city of Toronto, all you have to do is go back and pass that Act? He did not.

Hon. Mr. Goodfellow: Mr. Chairman, again on a point of privilege. No member of the Toronto city council or no member of this Legislature can say that any tainted meat has been sold in the city of Toronto, nobody knows that. I do not know; the hon. member does not know—

Mr. MacDonald: Just a minute now, there is a quibble of the first order. Just let me go back and review this, Mr. Chairman.

Hon. Mr. Goodfellow: The courts will decide.

Mr. MacDonald: No, I am not trying the case. I am dealing with the responsibility

of this government and this is the serious point.

Hon. Mr. Goodfellow: We fulfilled our responsibility.

Mr. MacDonald: Responsible officials of the Toronto city council came, and on the basis of information which they had reason to believe was reliable from people in the trade, they informed the hon. Minister of it. They suggested the answer to the question is what the hon. Minister of Health has subsequently now said is the answer—full inspection—although he has waffled on it. I do not know whether the Cabinet has rapped his fingers or what.

An hon. member: No! No!

Mr. MacDonald: We passed the bill in 1960, it was proclaimed on April 14, it came into effect on July 1, and now the hon. Minister tells us it took six months—

Hon. Mr. Macaulay: To license and inspect!

Mr. MacDonald:—six months to license and get these things inspected. How many are there? How many people are licensed under it?

Hon. Mr. Stewart: Mr. Chairman, the number of rendering plants licensed in 1961 was six; in 1962 is six to date. The receiving plants in 1961 were 47, and up to date in 1962 were 39. The collectors in 1961 were licensed to the extent of 79, and in 1962 there were 61. I would suggest that 35 per cent of the receiving plant operators licensed under The Dead Animals Disposal Act are bona-fide mink ranchers.

Now the point that the hon. member is trying to make here, I would say, is that tainted meat has come into the city of Toronto. I know of no proof in any court that that has ever been done.

Mr. Bryden: It is an insult to the intelligence of the House.

Mr. MacDonald: I have asked the question and the hon. Minister has answered the question, let him not take over on the speech.

Now, if I have added this up correctly, there were 88 institutions of various kinds over a two-year period and only 12 or so of them were in the first year. In other words, Mr. Chairman, without going into the detail, the fact of the matter is that the number

of institutions for inspection—if this government had gotten on its horse and moved in face of this issue—could have been inspected in four weeks.

An hon. member: Oh, nonsense!

Mr. MacDonald: No “nonsense” about it at all!

Hon. Mr. Stewart: May I ask the hon. member a question? Would he feel it was fair, would he feel it was just, to bring in an Act and immediately the Act was declared and came into effect to say to the people who were expected to be licensed—

Hon. Mr. Macaulay: Give them four weeks! That is the way they would do it, smashing and crashing right and left.

Hon. Mr. Stewart: That is not the way we do business.

Mr. MacDonald: What the hon. Minister did, out of the fullness of his heart, his pity and compassion for these people, he permitted a situation to continue in which tainted meat was being sold.

Hon. Mr. Macaulay: Nonsense!

Mr. MacDonald: However, Mr. Chairman, this is the real crux of the issue! The real crux of the issue is that the people who caught these were not this government through its inspection branch, were not the OPP. The people who caught these, because this government had failed, was the RCMP acting under The Food and Drug Act, Ottawa.

Now, the hon. Minister cannot deny that. That is the cold, hard fact. In face of that fact, the hon. Minister can talk from now until doomsday about what he did; because what he did was nothing in terms of catching the culprits who were in the game. The people who caught them were the people from Ottawa.

Mr. Bryden: He gave them licences.

Mr. MacDonald: Exactly. He gave them licences behind which they were able to carry on their business with the aura of respectability.

Hon. Mr. Stewart: Mr. Chairman, will the hon. member permit another question?

Mr. MacDonald: Sure!

Hon. Mr. Stewart: There are two I would like him to answer.

First of all, I would like him to define “tainted meat” as compared with improperly killed or improperly marked meat. Then I would like to ask him furthermore if, in fact, as he suggests that if the RCMP knew about all of this that he refers to going on, and frankly I do not know anything about it, then why did the RCMP—the wonderful police organization that they are—not lay charges? If this in fact was going on as he suggests.

He says that this is a fact and everybody knew it was a fact and that the RCMP knew about it. Then I ask, Mr. Chairman, why did not the RCMP lay charges before they got the information from our department?

Mr. MacDonald: Okay, now, Mr. Chairman.

Point one, I am not going to get into a discussion as to what is “tainted meat.” This is completely irrelevant to the point we are discussing. We can get experts to do that and the hon. Minister does not need to come in and ask a layman member of this House what is tainted meat. This is a red herring!

Hon. Mr. Stewart: That is what the hon. member is talking about now.

Mr. MacDonald: As to the RCMP! The RCMP laid the charges and, Mr. Chairman, the RCMP did not lay the charges on the basis of information they got from the hon. Minister’s inspectors and he should not mislead this House that they did!

The RCMP laid their charges on the basis of information that they dug up. They dug it up themselves without any assistance from the hon. Minister, without any relationship at all to The Disposal of Dead Animals Act. The hon. Minister is misleading the House if he contends this because this is what this government has been peddling for eight weeks in trying to get itself off the hook.

This government did nothing to solve this situation. They were asleep for a year in terms of getting the machinery implemented and they did not catch the people—the RCMP caught them under The Food and Drug Act.

Hon. Mr. Macaulay: That is the most unfair statement the hon. member has made tonight. The hon. Minister told the House why, what was done and when it was done, and the hon. member has repeated it the third time.

Mr. MacDonald: That is fine; and I am going to repeat it once again for the hon. Minister.

Hon. Mr. Macaulay: That is dishonest!

Mr. MacDonald: It is not dishonest, it is the fact.

Hon. Mr. Macaulay: It is not the fact!

Mr. MacDonald: I defy this government to have an investigation or deny—

An hon. member: Another investigation!

Mr. MacDonald: —or to deny that the charges were laid by the RCMP and that they got the evidence and it was not with the hon. Minister's assistance at all. The hon. Minister was sitting idly on the sidelines not fulfilling his responsibilities.

Hon. Mr. Stewart: The hon. member has not answered the question I asked.

Mr. MacDonald: What is that?

Hon. Mr. Stewart: I asked him: why, if the RCMP knew all of these things long ago—

Interjections by hon. members.

Hon. Mr. Stewart: —now, just a moment until I ask the question.

Mr. MacDonald: Okay!

Hon. Mr. Stewart: I have had to ask it three times. If the RCMP knew that this was going on, then why did they not lay the charge? My hon. friend has never answered.

Mr. MacDonald: I will answer it right now. If this is the question presumably the hon. Minister asked. The RCMP laid the charges as soon as they had the evidence to get the convictions.

But that is not the point I am arguing. The point I am arguing is: it is now time for this government to cease misleading the people of this province that these convictions were done by any action of this government, because they were not.

Hon. Mr. Macaulay: That is the hon. member's opinion.

Mr. MacDonald: That is not my opinion, that is the fact.

Hon. Mr. Goodfellow: I happen to be quite conversant with this. I think it was in January of 1961 that the livestock commissioner who is responsible for the administration of this Act came into my office and laid before me certain information in connection with suspicions that the chief inspector and assistant had and wanted to know what I thought he should do, if he should get in touch with the OPP and the RCMP.

I said by all means go all out and solicit the support of the Ontario Provincial Police and the RCMP to get to the bottom of this so-called illicit dealing in meat. So that, Mr. Chairman, is the situation. I knew about it and at that point the livestock commissioner brought it to the attention of the Ontario Provincial Police.

Mr. MacDonald: I reiterate it and I submit to the hon. Minister—let him get out the evidence and bring the necessary people to prove that I am wrong—that he is once again misleading the House. The chief livestock inspector or commissioner may have come in and told him something, and he may have talked with him, he may have said to him, go out and do your best, but the charges were laid on the basis of information by the RCMP as a result of the efforts of the food and drug division in Ottawa and not because of any effort on the part of this government.

However, Mr. Chairman, if I am wrong let us have the proof, and no more assertions back and forward across the House, because there is something that is even more important, and that is that we get this situation corrected. I find it extremely disturbing the kind of proposition that has been introduced by the hon. member for Brant (Mr. Nixon). As my colleague from Woodbine (Mr. Bryden) has said, if the standards that are now laid down and enforced by the federal inspectors are too high—and therefore they are unnecessarily rigid in imposing standards as far as the operators of small abattoirs are concerned—I find it puzzling, because it would seem to me that no government would set unnecessarily high standards to have an unnecessary burden upon any abattoir, big or small.

However, if they are, my question to the hon. Minister is this. Since it now appears obvious, in spite of the observations of the hon. Minister of Health (Mr. Dymond), that first we must have inspection done provincially if the federal government will not do it, it now appears that the government is backtracking on this.

Mr. Bryden: The hon. Minister of Health backtracked 100 per cent.

Mr. MacDonald: Yes, the hon. Minister of Health, in his latest statement, in effect suggests that this is not a provincial responsibility.

Many times in the papers it has been indicated that the provincial authorities are going to sit down with the federal authorities and talk over this and work out some sort of an arrangement. My question to the hon.

Minister is this. In his talking over with the federal authorities, what has been the view with regard to this question as to whether or not the standards are unnecessarily high, and whether it is possible to have another grade of standards that would apply to small abattoirs; and if so, then it would seem to me that all this government has to do is to pass an Act stating that all institutions that are slaughtering meat for human consumption must submit to federal inspection, and the federal inspection becomes operative and, if my information is correct, such inspection is free.

It seems to me to be a very simple thing, and the question my colleague asks is the one that puzzles me. Why all this floundering around for two months on an issue that the hon. Minister of Health conceded to be important, and certainly captured the headlines? What are we floundering for in the first week in March when we had information on this two months ago?

Hon. Mr. Wardrobe: What is the answer the hon. member wants?

Mr. MacDonald: What is the result of the hon. Minister's discussions with Ottawa, and what is his reply to this question about the standards being unnecessarily high for the smaller abattoirs?

Hon. Mr. Stewart: Well, Mr. Chairman, in the first place I would like, for the information of the hon. member, to suggest that federal inspection of meat applies for inter-provincial or export trade.

Some hon. members: We know that.

Hon. Mr. Stewart: It is good to know that the hon. members know that.

Mr. Bryden: I think it was pretty obvious for the last hour that we knew that.

Hon. Mr. Stewart: Well, Mr. Chairman, if the hon. members know the answers to the questions they ask we will leave them with their answers.

Mr. MacDonald: Mr. Chairman, the hon. Minister is not going to sit down on some petty excuse.

Hon. Mr. Macaulay: The hon. Minister did his best to answer the question. If the hon. members have not the courtesy to hear him out, let them sit down.

Mr. MacDonald: My question to the hon. Minister is: what discussions have they had

with the federal government and what has been the conclusion or the line of thinking in those discussions with regard to the necessary levels and standards for smaller abattoirs? Why is it not possible for this government to pass a law stating that all these abattoirs must come under federal inspection and inspection would become operative immediately?

Hon. Mr. Rowntree: The hon. member did not ask that question before.

Mr. MacDonald: If the hon. Minister gets the *Hansard* out he will find it. That is the question.

Just a minute now, Mr. Chairman. Is the hon. Minister not going to answer that question?

An hon. member: They had a man up there on the floor. Let him speak; he wants to say something.

Mr. MacDonald: Mr. Chairman, this is not the question. I have asked the hon. Minister a question; is he deliberately refusing to answer it? Mr. Chairman, is the hon. Minister deliberately refusing to answer this question?

Hon. Mr. Stewart: Thank you, Mr. Chairman. I do not like to stand up when there is one man standing, but when there are two men standing I think it is a discourtesy to ask a man to stand up and start to talk.

The hon. member for York South (Mr. MacDonald)—now if the hon. member for Woodbine (Mr. Bryden) is through talking maybe we can get a chance to say something.

My hon. friend from York South (Mr. MacDonald) has suggested that there are negotiations going on with Ottawa regarding meat inspection in the province of Ontario.

Mr. MacDonald: The hon. Minister of Health (Mr. Dymond) said so.

Hon. Mr. Stewart: Mr. Chairman, if the hon. Minister of Health said so I will let the hon. Minister of Health speak for himself, but he is not here. I have not met with a single hon. Minister of any department in the federal government, to discuss meat inspection with them at all.

Mr. MacDonald: May I ask the hon. Minister this question? Is the provincial government then considering the extension of inspections for all meat consumed in the province of Ontario?

Hon. Mr. Stewart: Well, this is a matter that can be taken under consideration. There has been no announcement made about it. We can take this matter under consideration and I thank the hon. member for bringing it to our attention.

Mr. MacDonald: Oh, no, Mr. Chairman. This happened two months ago and we have had endless statements about this. There is going to be provincial inspection or federal inspection. Mr. Chairman, I am not going to persist any further but it is obvious that this government is, in a calculated and deliberate fashion, refusing to accept its responsibility.

Hon. Mr. Stewart: That is not the case at all.

Mr. MacDonald: Well, what are they doing then?

Hon. Mr. Stewart: I said to the hon. member that his case would be taken under consideration. What more can I say?

Mr. MacDonald: It is not my case—

Hon. Mr. Stewart: Well, it is a problem that he is bringing to—

Mr. MacDonald: Mr Chairman, how fatuous that the hon Minister should say this is my case. There have been editorial writers, and the whole of the public of the province of Ontario, waiting for the government to make up its mind for two months, and for the hon. Minister to say he is going to take my case—

Hon. Mr Stewart: My apologies to the hon. member if I described it as his case. May I say the problem that he has brought to the attention of the House will be taken under consideration.

Hon. Mr. Macaulay: Mr. Chairman, I would say to the hon. member that I am advised that the matter is now under consideration between the federal and provincial people through the hon. Minister of Health.

Mr. MacDonald: Mr. Chairman, this is very, very interesting. This is an issue which is at least partially the responsibility of the hon. Minister of Agriculture (Mr. Stewart) and he does not know anything about it.

Hon. Mr. Stewart: I did not say that I did not know it.

Mr. Sopha: Mr. Chairman, I can see that it is all but impossible to get into what appears

to be a private war between the hon. member for York South (Mr. MacDonald) and the hon. Minister of Agriculture (Mr. Stewart). However, may I say, sir, by way of parenthesis, if you will permit me, that this evangelical fervour demonstrated by my hon. friend from York South is typical of the way they approach everything that smacks of a little bit of scandal, and that is why they remain so ineffective on the hustings. He goes after something like a rat after a piece of cheese, a starving rat after a piece of cheese, and he holds his hand out as if he is shaking the hon. Minister of Agriculture in his hands. And I wish we could approach things in this House in a reasoned and moderate fashion.

An hon. member: The hon. member is a laughing stock.

Another hon. member: Self-righteous—

Mr. Sopha: Ah nay, ah nay, sir, I am not like the hon. member, I am a man of sin, I am not the self-righteous puritan that he is, who has never done anything wrong.

An hon. member: The hon. member does not need to make a parade of himself.

Mr. Sopha: Oh no, oh no, that is precisely why people listen to what we say. We got 45 per cent of the votes and you got 17 per cent. All right, I am not fighting the by-elections again.

But so far as the remarks about when this matter became a matter of public attention, and when it came to the notice of the government: When these two last speakers were **trading their dialogues of diatribe**, they were both wrong. And I just want to put on record, as my hon. leader has invited me to do, remarks made as long ago as March 23, 1955, by the hon. member for Brantford (Mr. Gordon) who has departed for his home at this hour of the night. I am going to read these and let them be inscribed in the record for all to see and all to heed as to when these matters that suddenly assume the character of emergency and excite such passions in the breast of my hon. friend to the left here.

Now I will do better and everybody will do better if the hon. member just maintains a little silence.

Mr. Bryden: Well, the hon. member is not doing very well.

Mr. Sopha: It was not I who was the laughing stock in Kenora, it was the hon. member.

This is very brief but I want it to be inscribed in the current record of *Hansard*. I beg leave to use my voice for that of the hon. member for Brantford whom I say has left for his home.

Mr. G. T. Gordon (Brantford): Mr. Chairman, I do not think this comes under any vote at all but I would like to ask the hon. Minister if he received a statement or brief from the Canadian Association of Consumers in connection with the inspection of meat. I have a brief here which speaks of meat wrapped in cellophane wrappers which has never been inspected and it was stated that of the 70 per cent of meat sold to the provincial slaughter houses one-third is unfit for human consumption.

Mr. Oliver: They should certainly do something about that.

Mr. Gordon: When someone buys boneless beef and has it ground he does not know where on earth it came from. There was a family in Brantford which bought some beef which tasted rather peculiar and they took it to their doctor. He sent it to the veterinarian, who said it apparently was from an animal which had been sick and had been given some medicine and the medicine was flavouring it.

Hon. Dana Porter: It was not the dog, was it?

Mr. Gordon: No, the dog is still in good health.

Hon. Mr. Porter: Is it still driving around?

Mr. Gordon: I discussed this matter with our medical health officer and he would like to know the authority for this statement that one-third of the meat sold is unfit for consumption. He is not convinced it is practicable nor realistic to apply that statement to all the meat slaughtered in the 12 abattoirs in Brant county. May I ask the hon. Minister what can be done?

You see, he was of a querying mind that night also.

What can be done? If 30 per cent of the meat which was being consumed by the people of Ontario is not being inspected, I think that is a situation which should not exist. Every pound of meat we export from Canada has to be inspected.

Hon. Mr. Frost: Mr. Chairman, may I ask the hon. member who made that statement?

Mr. Gordon: It appears in a brief by the Canadian Association of Consumers.

Hon. Mr. Frost: —

I can hardly credit his query. He says: Who are they?

Mr. Oliver: Everybody belongs to it.

Hon. Mr. Porter: Does the hon. leader of the Opposition belong to it?

Mr. Oliver: We all do.

Hon. Mr. Porter: Well, I do not know, you cannot belong unless you apply for membership.

Mr. Gordon: I have an extra copy of the brief here if the hon. Minister wants it.

Hon. Mr. Porter: I do not think the hon. member for Brantford knows who they are.

Mr. Gordon: Yes, Mr. Chairman, their names are all here. It is a very large organization, the Canadian Association of Consumers.

Hon. Mr. Porter: Is the hon. member for Brantford a member?

Mr. Gordon: No, I am not a member.

Hon. Mr. Porter: May I ask if any hon. member in this House is a member?

Mr. Gordon: They police us in a sense.

Hon. Mr. Frost: Would the hon. member for Brantford let me see that brief?

Mr. Gordon: It is quite a brief.

Hon. Mr. Porter: It must be.

Mr. Gordon: Has the hon. Attorney-General never heard of the Canadian Association of Consumers?

Mr. Thomas (Ontario): It is a very strong organization, Mr. Chairman, composed of housewives banded together. He sort of made it sound like an earlier day fang and claw society.

Hon. Mr. Porter: I have heard of the organization but I have never heard of this brief.

Hon. Mr. Phillips: Mr. Chairman, I think this is a very, very important subject.

That is seven years ago, seven years ago two weeks hence. But it happens that in Ontario we have as federal inspectors veterinary surgeons who are trained in meat inspection in all of our larger abattoirs and

they are doing an excellent job. Where the trouble lies is in the tiny abattoirs in the country. If we can change human nature and make these folks, shall we say, destroy meat that is not good, and not sell it, then we will have no trouble. However, Mr. Chairman—

An hon. member: I guess they gave up.

Mr. Sopha: Well, the hon. Minister of Health's predecessor and former Provincial Secretary was a man known to have remarkable perspicacity. However, Mr. Chairman, I think 30 per cent is very, very high. I know that there is meat selling on the market which is not good, but we have those two types of inspections, the federal man who takes care of most of it, and then at the municipal level the local boards of health to look after the smaller abattoirs, and that is where most of the contaminated meat comes from.

To continue the quote from *Hansard*:

Mr. Gordon: Speaking with respect to the board of health of the city of Brantford, it is absolutely impossible for one veterinarian to inspect all the meat which is slaughtered in 10 abattoirs.

Hon. Mr. Frost: Apparently that is not where the trouble is, Mr. Chairman. This says, "It has been stated that 70 per cent of meat sold to our provincial slaughterhouses is inspected and 30 per cent is sold by farmers to the butcher, and one-third of the latter is unfit for consumption."

Hon. Mr. Phillips: I think that is probably true.

Hon. Mr. Frost: That is the meat sold by the farmers to the butcher. They allege one-third of that is bad.

Mr. Gordon: Yes, Mr. Chairman, but 30 per cent is not inspected and a third of that 30 per cent is not fit for human consumption.

Hon. Mr. Phillips: No, what it says is that 70 per cent is inspected by the federal authorities, 30 per cent is killed in small abattoirs and of that one-third or 10 per cent is unfit.

Hon. Mr. Frost: Not abattoirs, it might be killed by a farmer and sold to a butcher.

Hon. Mr. Phillips: I think that figure is very high. I do not think we have that much going on to the market. Not nearly that much.

Now here is where it ends.

Mr. John Root (Wellington North): Mr. Chairman, I have raised and trucked livestock for over 20 years and I cannot conceive there is any foundation for saying that one-third of the meat sold by farmers is not inspected. What happens is when an animal takes sick they ask us to take it to an abattoir but it is sold to the abattoir subject to inspection. I have never heard of farmers taking a sick animal and selling it to a local butcher, at least it does not happen in Wellington-Dufferin and I do not think elsewhere either.

It is quite a remarkable coincidence, is it not, Mr. Chairman, that it should have been the hon. member for Brantford (Mr. Gordon) who raised that, because when this matter became a matter of public urgency and public concern, was it not in Brantford that some of the earliest charges were laid? And almost with a sense of prescience, crystal-ball-sense, if you like, seven years ago, two weeks hence, the hon. member for Brantford in this House made acquainted this government—which had not long grown quite so tired as it has by this time seven years earlier—made them acquainted with the problem.

I should like to address remarks, in what I described earlier as a moderate, reasoned analytic fashion, to two aspects of this problem. One is this business of inspection. I have always believed that it is the ultimate of folly, the ultimate of almost stupidity, that we have so much divided jurisdiction in the field of inspection.

I have never been able to understand, in this great land of ours, populated by intelligent, progressive, energetic people, why we have to have two sets of inspectors—one federal and the other provincial, to perform the same tasks? And, to our eternal shame, that apparently the basis for the inspection—well, not apparently, but it is a fact—the basis is who picked up the apple grown in the Niagara Peninsula, and looked at it, is whether that inoffensive apple was going to be consumed by a citizen of Ontario, resident in Toronto, Sarnia, Owen Sound, Duntroon, Sudbury, or whether the apple was marked for export.

If it was marked for export, then a federal inspector had to come in and have a look at the apple to see if it had a worm in it. And so it goes with hogs, and so it goes with cattle, and every other agricultural product—that the criterion has been where the product is eventually going. Now, thank

the Lord, the Supreme Court of Canada, in the last case that got into print apparently has started to do something to reverse the trend of that nonsense.

Now, in relation to wheat, I do not pretend to know the details of the case but they are getting away from the idea that the federal government only has responsibility if the product is ticketed or marked for export or for interprovincial trade. I am enough of a centralist, I have said it in this House before, and I will say it again if I have the good fortune to be elected back here, that I think there are some spheres of responsibility that the provincial government should get out of—and one of them is the marketing and inspection of agricultural products—and let the whole of the responsibility for that go to the federal government. In a nation which lives on trade—it lives on trade internationally, it lives on trade within its borders—surely the sensible way to approach marketing and inspection would be to give the federal government the total responsibility for it?

It is in a uniquely favourable position to perform the tasks such as no single province can perform them. No single province has the legislative power and legislative responsibility, within the confines of Section 92 of the Act, to do it. When we speak of inspecting livestock, we are speaking of more than fallen animals, animals that have taken sick, animals that apparently have been injected with drugs and medicines which have tainted the meat; we are speaking of that same problem that we faced—was it a decade ago—six, seven years ago—when all the fuss was raised in this country about the foot-and-mouth disease, and everybody got into a great fervour about it?

Cattle are being shipped all the time into Ontario. I walk on my way to the courthouse in Sudbury, and because the CPR runs through Sudbury, I have to stop and wait for 70 box-cars to go through and almost every one of the 70 is loaded with western cattle, coming from Brandon, coming from Winnipeg.

My hon. friend from Lambton East (Mr. Janes) imports them himself, and we have talked about them coming from Regina and points west into Ontario.

Therefore I say that in the realm of livestock, as well as all other agricultural products, it is time that this government, which is always pleading penury and lack of money, got out of some of these spheres of responsibility and let them be performed by the central government, which has the machinery,

which has the legislative power, which has the ability to do them as they should be done—and that is on a nation-wide scale—in order to give complete protection.

Hon. Mr. Grossman: The hon. member for Brant disagrees with the hon. member for Sudbury.

Mr. Sopha: I do not care who disagrees with me. I learned these ideas at the feet of C. A. Wright and Bora Lascin, that is where those ideas were inculcated in me. But if this country is going to become great, then we have to begin to think in terms of centralism, give some of these powers to the federal government and get out of those fields ourselves, and let us perform well and efficiently those things that are peculiarly of a local and provincial nature, those things that are peculiar to the interests of the citizens of this province as residents of this province. Those are my beliefs.

The second thing I wanted to say is in respect to the inspection of meat. I can safely say that, so far as ability to inspect meat is concerned, in the district of Sudbury there is not a central place for slaughtering. We have no abattoir; we have had two or three futile attempts to build one, but apparently it is a business that is attended with grave economic risk; it is not too profitable a thing; you have to go into all sorts of ancillary side-lines, in order to make it profitable, and therefore it does not attract people into it.

I would not swear—I know we have not got one in the district of Sudbury—I would not swear to it but I strongly suspect that there is not one in the district of Timiskaming; I strongly suspect that there is not one in the district of Nipissing. I am almost certain that there is not one in the district of Algoma, and I will bet that in Cochrane North there is not one either. In fact, in the whole of northeastern Ontario, I daresay there is not a single abattoir.

The result is that we import most of our meat from southern Ontario. In fact, the fraction of consumers' products that we produce in northeastern Ontario for our own consumption is about 15 per cent. That includes meat and vegetables and all the other articles of produce that find themselves on the consumers' table.

Well, maybe there is some economic advantage. My friend, the hon. Minister of Economics and Development (Mr. Macaulay) who thinks it is all right for people from Sarnia to come into Sudbury and invest money, would not agree with me; but there

might be some advantage in promoting some agricultural secondary industry in northeastern Ontario with a view to producing more of our consumers' goods there, instead of importing them and paying the high cost of freight and express trucking that we have to pay to bring them in. This makes it a more costly proposition to live in northeastern Ontario than to live in the heart of Metropolitan Toronto. But that is a matter for another speech.

I merely say that, so far as this business of inspection is concerned, we can never feel safe in buying local meat; and I had better be careful about what I say here. We cannot have the sureness that the local meat meets the required standard and avoids the risk of fallen or tainted animals reaching the consumer until we have abattoirs in that part of Ontario.

Now, my hon. friend from Brantford (Mr. Gordon) in his speech, I notice, seven years ago in the county of Brant, is talking about 12 abattoirs. Well, I say that it is an incredible thing. They have 12 abattoirs in the county of Brant, but in the whole of northeastern Ontario, we have not got one abattoir of which I know.

My hon. friend from Fort William (Mr. Chapple), that is far to the west of us, tells us that they have one, so that would put one in the whole of Northern Ontario. Then let me sum up and finish in this way: that for a problem that was brought to the government's attention—not in the words of my babbling friend, with his evangelical fervour, to the left here, and of the Left, in July or April of 1961—but, now the record is clear, was brought to the attention of the government on March 23, 1955, in all these seven years, nothing has been done. I say, within the area of the responsibility of the provincial government, and within The Department of Agriculture, let us, instead of all these travelling expenses to which I referred earlier, have a little subsidy, a little encouragement for the establishment of some abattoirs in northeastern Ontario. I invite their assistance to establish one in my own constituency, in that area which is the most populated part of northeastern Ontario. Then farmers, of their own volition, would take their animals to the abattoir to be slaughtered, or if such an institution were established, the government could bring in legislation to compel them to take their animals to the abattoir to be slaughtered under the supervision of an appropriate inspector. And that, Mr. Chairman, ends the few remarks that I wanted to address to this problem.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, I think it well that we get away from the hilarious approach and return to the wellbeing and health of the meat consumers in this province and deal seriously with the question of inspection of meat.

I am going to be brief, Mr. Chairman, but I thought I should add my support to the need for stringent inspection in slaughter houses in the different ridings across the province. I know of only two in my riding.

One of them I visited on a complaint and it has been a terrible mess for some three years. The complaint was looked into by the medical officer of health, of course, and his jurisdiction only covered those things that would be considered a detriment to the health of the people in the surrounding area, or what might be considered a nuisance to the people in the surrounding area. But certainly, as far as my riding is concerned, I would be in favour of the most stringent restrictions and inspection to ensure the people that are buying the meat from this small slaughter house the best possible protection.

This particular place was not very much bigger than a double car garage and they retailed the meat out in front. There was a lean-to on the side of the building where they kept the cattle overnight or maybe longer than overnight, ready for slaughtering them. What caused the discomfort to the neighbourhood was the stench, the blood running down ditches for a complete concession on all sides, the guts of the animals being stored behind the building in barrels for days, and rats as big as cats running around the neighbourhood.

This comes under the jurisdiction of the medical officer of health and he does not inspect the meat. But after seeing the conditions that existed there I cannot take any other view than that the meat was not fit for human consumption. So I certainly endorse inspection, either by federal or by provincial inspectors, I do not care which. But somebody should take some action to clear up some of these problems. If there were any of this type of slaughter house in Brant County, I think the hon. member for Brant should take the same approach. I would not consider the cost in the type of building would have anything to do with producing good meat and certainly it should not be a criterion for giving the public the kind of food they are entitled to have.

Mr. Spence: Mr. Chairman, I would like to ask the hon. Minister a question. Knowing the hon. Minister is interested in all aspects

of agriculture, could he state if this Associated Livestock Growers of Ontario was granted a charter to operate here in the province of Ontario?

Hon. Mr. Stewart: Might I ask the hon. member to refer that question to the hon. Provincial Secretary. It is under his department.

Mr. Spence: Well, was this operation or this association's operations inspected by the hon. Minister's department?

Hon. Mr. Stewart: Well, as far as I know, Mr. Chairman, our inspectors had nothing to do with it, nor any of our departmental people, to my knowledge.

Mr. Spence: I understand, Mr. Chairman, there are a lot of dead animals out around this operation and I was wondering if the hon. Minister had checked into this. I understand by the paper there is supposed to be 6,000 hogs on three farms, so we would like to know if there was any contact with his department over this operation.

Hon. Mr. Stewart: I am not sure what the hon. member wanted me to answer this time.

Mr. Spence: Well, sir, I would like to enlighten the hon. Minister. On Friday, March 2, 1962: "Armchair farmers lose over \$1 million. Pig scheme becomes hogwash. Trouble in Piggyland. Dream world of ham winds up in a jam." I understand there were 700 people who invested \$1,800,000 out there.

Hon. Mr. Macaulay: What is the hon. member's question?

Mr. Spence: I wondered if there was a charter granted for this livestock growers association in the province of Ontario.

Hon. Mr. Stewart: Well, our department does not grant charters of any type to such an organization. This comes under The Provincial Secretary's Department as I suggested to the hon. member in the first place.

Mr. Spence: Then the hon. Minister's department did not check this large operation out here at Sunderland outside Toronto, despite the dead animals?

Hon. Mr. Stewart: To my knowledge there is no legal reason why we should inspect it that I know of. For what reason would we inspect it?

Mr. Spence: I understood there were a lot of dead animals there. Ten thousand hogs are supposed to be on these places, these three farms. Did the department take any interest in the claims of this enterprise?

Hon. Mr. Stewart: Pardon?

Mr. Spence: Did the department take any interest in the claims of this enterprise?

Hon. Mr. Stewart: I would say that this is entirely a matter which is beyond the concern of The Department of Agriculture, as far as the investment of people are concerned in any corporation. This is something that could be looked into by the Securities Commission; it is perhaps the right place to direct his inquiry, or through the corporations branch.

Mr. C. E. Janes (Lambton East): Mr. Chairman, I have been trying to get on my feet for the last 20 minutes. Surely there are some rights on this side of the House.

I wanted to say to the House that I have a great deal of respect for what the hon. member for Brant stated in this House, that we are making a lot of noise about something that does not amount to too much. I do not suppose the dead meat amounted to one tenth of one per cent of the meat consumed in Ontario, but we hear a lot of noise about it. If we take the actions suggested by our dictator friends over here we will put hundreds of people out of business. We have butchers all over Ontario who are good honest people, who are doing a good job, who have never sold bad meat to anybody, and they are all going to be out of business.

Mr. MacDonald: Now I can see why the Cabinet is back-tracking.

Mr. Janes: Hold it for a minute. I have got the floor right now. I have been working with some groups in my area that have poultry-killing plants. There are three in a group together. One has been inspected for years, the other two have not; and as soon as they found out the situation they started to try to get inspection and they are still working on it.

They are not too large plants. It is going to cost them from \$25,000 to \$50,000 to comply with the regulations. They have to go through our health department, the water resources department, the department at Ottawa; and they all take time, and these men are working hard. They were in here on Friday afternoon and I was working with

them. They are coming back next week. They are trying to get into an inspected plant and they can hardly do it.

Our smaller butchers cannot get into an inspected plant over night, and maybe not at all. Do not forget that Old Man Consumer is going to pay for all these costs and all these problems. Do not forget, also, that probably not more than a tenth of one per cent of the meat consumed in Ontario has been dead meat. And do not forget that in only a very odd case would that meat do anybody any harm. My first surprise when this came up was when I was talking to a medical health officer in one of the cities near where I live and he said: "This is all in people's heads. We do not approve of this dead meat being sold, but if it is well cooked it will not hurt anybody." So let us face it, Mr. Chairman. Do not rush into something we cannot complete, and do not put all these people out of business overnight, and do not put extra costs on the consumers of this province.

Mr. MacDonald: Mr. Chairman, there are two brief problems.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I am going back to the former question, by my hon. colleague—

Mr. MacDonald: I wanted to follow this, if I might.

Mr. Thompson: Mr. Chairman, I am interested still in this pig scheme. And I am interested frankly because of the many people who lost all their life savings because of this. I know personally that it has caused a great deal of hardship for many of these people. And I was wondering if the hon. Minister of Agriculture could tell us if someone had informed his department of the kind of operation that was taking place on this pig farm—that there were thousands of pigs dying and being buried on the farms? If someone had informed his department of that, would his department have taken action?

Hon. Mr. Macaulay: Are you saying that this did happen?

Mr. Thompson: I am saying, sir, that I would like first of all the hon. Minister's answer.

Hon. Mr. Macaulay: No, but are you saying this did happen?

Mr. Thompson: I am sorry, sir, I directed a question to the hon. Minister.

Hon. Mr. Stewart: I would say, Mr. Chairman, that the question as my hon. friend has said is purely hypothetical. You have said "if" such a thing happened, "would you do such-and-such?" Now, I think until you get down to cases, we will be unable to answer the question. We have heard no such complaints as the rumours that he is suggesting and, as far as I know, they are only rumours. I never heard these things until he brought them to our attention tonight and I still do not know if it is a fact. Is it just a rumour he is repeating?

Mr. Thompson: I am sorry, sir. It is not a rumour. The papers have been full of this. There are people who have lost a great deal, they have lost their savings on it—

Mr. Simonett: What has that got to do with this?

Mr. Thompson: It has a great deal to do with this. There is concern on the part of a number of people that they have lost their money, and they are wondering why something such as this Association of Livestock Growers of Ontario can be advertised across this province. I might even say that this particular outfit was advertised in Germany—was causing concern to people in—

Hon. Mr. Macaulay: On a point of order, sir, this is a matter which properly belongs under some other department—not under The Department of Agriculture.

Mr. Thompson: Well, sir, I would suggest that the growing of pigs has something to do with agriculture.

Hon. Mr. Macaulay: This is not his point at all. His point is that they have lost their investment; that is—

Mr. Thompson: No. My point is that someone from this operation did come to the department and inform the department of the kind of development that was taking place.

Hon. Mr. Macaulay: Mr. Chairman, I asked, are you asking on a point of order or out of order?

Mr. Thompson: I am talking, sir. What I am interested in knowing is if there is fraudulent operation—

Hon. Mr. Macaulay: Mr. Chairman, there is a point of order before the committee. I would ask you, if you would rule, whether in your opinion this matter is in order or not?

Mr. Chairman: It is out of order.

Mr. Thompson: I have another question for the hon. Minister. If the hon. Minister's department had seen an advertisement suggesting that people could buy 100 sows and within one year that they could make \$8,540—

Hon. Mr. Macaulay: Mr. Chairman, this is exactly the same point.

Mr. Thompson: This is the problem that I am asking, sir, and what I am concerned about. There are people who are in the city—

Mr. Chairman: It is out of order. Order.

Hon. Mr. Macaulay: Let us get on with the estimates. He can raise this question under the Attorney-General, the Provincial-Secretary, any number of places.

Mr. Thompson: I feel that if there are large numbers—

Mr. Chairman: Order.

Mr. Thompson: Mr. Chairman, could I raise another question?

Mr. Chairman: Order, order.

Mr. Thompson: You have not heard my question. I do not know why the hon. Minister of Energy Resources is objecting when he has not heard my question yet.

Hon. Mr. Macaulay: The other two were out of order.

Mr. Thompson: Sir, I would hope that you would not anticipate my question. I think I should direct my remarks through the chairman.

An hon. member: If all those pigs had a vote.

Mr. Chairman: Order.

Mr. Thompson: No, but a lot of people who invested certainly would like to vote. I would like to suggest, sir, in connection with an operation where you have had the deaths of thousands of pigs [laughter] it is a very serious question. Surely The Department of Agriculture does some inspection of carcasses that are buried wholesale in fields just about 60 miles from Toronto. What is your responsibility in connection with loads of dead carcasses—

Mr. Cowling: We have been talking about this for hours.

Mr. Chairman: Order, order.

Mr. Thompson: I want to see what you did; if you have a responsibility in connection with a large number of dead pigs outside Toronto, what did you do about it?

(Laughter.)

Mr. Chairman: Order.

Mr. Thompson: Well, Mr. Chairman, I am really quite serious about this. I know a number of people who have invested in this operation—

Mr. Chairman: If the hon. member would sit down, maybe he will get an answer.

Mr. Thompson: I am sorry, thank you.

Hon. Mr. Stewart: Mr. Chairman, in answer to the hon. member's question, I would say that this is completely a matter which is beyond the jurisdiction of The Department of Agriculture. In the first place the hon. member refers to hypothetical suppositions, and he has referred to nothing factual that has come to our department. If a request comes to our department for a specific purpose, we give an answer, or at least we try to give an answer. But when a supposition comes to our department we will wait until the actual question comes, and then we will try to do something about it, if it falls within our jurisdiction.

Mr. Thompson: What I am asking is if you had had an enquiry at your department. I have asked if you have had an enquiry and you say you do not know. Am I correct in that?

Hon. Mr. Stewart: Well, if my hon. friend would be satisfied with this. If an enquiry came, would it satisfy him if we said, if an enquiry came, we would have a look at it.

Mr. Thompson: You would have had a look at it if an enquiry had come?

Hon. Mr. Stewart: We would have a look at the enquiry, not at the suppositions.

Mr. Thompson: Then may I say, sir, that I hope to show you that an enquiry did come and you did not have a look at it.

Mr. MacDonald: Mr. Chairman, there are two brief points that I want to make. I want to come back to the point that was made by the hon. member for Lambton East (Mr. Janes) and I want to suggest that this is a completely intolerable kind of approach to this problem.

Nobody is suggesting that these people should unreasonably be put out of business. What we are suggesting is that the health of the people of the province of Ontario shall be protected. If the standards are too high, I submit it is a responsibility of this government to negotiate with the federal government for standards that are tolerable. The protection of the health of the people, not the solvency of these small companies, should be the first consideration. And, if, after having decided on the standard that would be permissible, there are some of them who still cannot come up to that standard, I submit that they should be out of business, and I say that without any equivocation.

Mr. Nixon: So would we all.

Mr. MacDonald: Well, that is all I have asked for. The second point I wanted to raise is that I was very interested in the hon. member for Sudbury (Mr. Sopha) relating the account of the hon. member for Brantford away back in 1955, drawing attention and presumably supporting representations of the Canadian Consumers Association to the effect that 30 per cent of the meat being sold was not inspected. It is interesting that seven years later in the city of Brantford there are hospitals in which the meat supply is uninspected.

Vote 110 agreed to.

On vote 111:

Mr. Wintermeyer: Mr. Chairman, may I suggest to the House leader that it is now 11.20 p.m. and we are reaching 111, the marketing development branch and several other very important branches—

Hon. Mr. Macaulay: Have we finished vote 110?

Mr. Chairman: Yes.

Hon. Mr. Macaulay: Well, if we have finished 110 then, Mr. Chairman, I would move that the committee of supply rise and report it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. Mr. Macaulay moves that when this House adjourns the present sitting thereof that it do stand adjourned until 2 p.m. tomorrow.

Motion agreed to.

Hon. Mr. Macaulay: Mr. Speaker, before moving the adjournment of the House, it is with regret that I inform the hon. members of the House that a very courageous and beautiful young lady died tonight—the wife of the hon. member for Peel (Mr. Davis). I understand her funeral will be on Thursday afternoon.

Hon. Mr. Macaulay moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:25 of the clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, March 6, 1962
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 6, 1962

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests pupils from the following schools: in the east gallery R. L. Hyslop Public School, Stoney Creek; and in the west gallery Terra View Heights Public School, Scarborough; Fonthill Public School and the A. K. Wigg Public School, Fonthill; and under the Speaker's gallery a group from Sudbury University.

Mr. Speaker informed the House that the Clerk had received from the chief election officer and laid upon the table the following certificate of a by-election held since the adjournment of the House:

Electoral district of Eglinton: Leonard McKenzie Reilly.

PROVINCE OF ONTARIO

THIS IS TO CERTIFY that, in view of a writ of election dated the twenty-first day of November, 1961, issued by the Honourable Lieutenant-Governor of the province of Ontario, and addressed to Charles William Robinson, Esquire, returning officer for the electoral district of Eglinton, for the election of a member to represent the said electoral district of Eglinton in the legislative assembly of this province, in the room of William James Dunlop, Esquire, who, since his election as representative of the said electoral district of Eglinton, hath departed this life, Leonard McKenzie Reilly, Esquire, has been returned as duly elected as appears by the return of the said writ of election, dated the twenty-eighth day of February, 1962, which is now lodged of record in my office.

(Signed)

RODERICK LEWIS,
Chief Election Officer

Toronto, March 6, 1962.

Leonard McKenzie Reilly, Esquire, member for the electoral district of Eglinton, having taken the oaths and subscribed the roll, took his seat.

Hon. J. P. Robarts (Prime Minister): **Mr. Speaker**, may I say a word of welcome to the new hon. member for Eglinton (**Mr. Reilly**) and wish for him, as I have wished for the other hon. new members who have come into the House as a result of the by-elections held in January, a rewarding and fulfilling life here; and a life of service to constituents of that great riding of Eglinton.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. G. E. Gomme (Lanark), from the standing committee on private bills, presented the committee's fourth report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr10, An Act respecting Metropolitan United Church of Toronto.

Bill No. Pr26, An Act respecting the Town of Richmond Hill.

Bill No. Pr27, An Act respecting the Township of Wicksteed.

Your committee begs to report the following bill with certain amendments:

Bill No. Pr14, An Act respecting the City of Toronto.

Your committee would recommend that the fees less the penalties and the actual cost of printing be remitted on Bill No. Pr10, An Act respecting Metropolitan United Church of Toronto.

Mr. Speaker: Motions.

Introduction of bills.

PENSION FUNDS PORTABILITY

Mr. R. C. Edwards (Wentworth) moves first reading of bill intituled An Act to Provide for the Extension, Improvement and Solvency of Pension Funds and the Portability of Pension Benefits.

Motion agreed to; first reading of the bill.

THE LOCAL IMPROVEMENT ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Local Improvement Act.

Motion agreed to; first reading of the bill.

THE JAILS ACT

Hon. I. Haskett (Minister of Reform Institutions) moves first reading of bill intituled, An Act to amend The Jails Act.

Motion agreed to; first reading of the bill.

Mr. J. Trotter (Parkdale): Would the hon. Minister tell us what the bill is about, please?

Hon. I. Haskett (Minister of Reform Institutions): Mr. Speaker, this amendment provides for the payment to a municipality, that is a county or city, maintaining a jail of a grant of 10 per cent of the annual cost of operating the jail.

THE MUNICIPAL UNCONDITIONAL GRANTS ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Municipal Unconditional Grants Act.

Motion agreed to; first reading of the bill.

Hon. F. M. Cass (Minister of Municipal Affairs): This provides for the continuance this year of the unconditional grants in respect of hospital treatment of indigent patients.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, the bill presented by the hon. Minister was an Act to amend The Assessment Act—The Local Improvement Act. I wonder if he would give a brief explanation of that one, please.

Hon. Mr. Cass: Most certainly, Mr. Speaker. There are two amendments, both of which are procedural. One is to provide that objections to a work to be carried on are to be given to the clerk of the municipality, and secondly to provide that in the case of an appeal under The Local Improvement Act to the county judge the notice is to be given to the clerk in lieu of the assessment commissioner.

THE HIGHWAYS IMPROVEMENT ACT

Hon. W. A. Goodfellow (Minister of Highways) moves first reading of bill intituled, An Act to amend The Highways Improvement Act.

Motion agreed to; first reading of the bill.

Hon. W. A. Goodfellow (Minister of Highways): Mr. Speaker, this amendment to The Highways Improvement Act is to make it possible to contribute up to 90 per cent of the

cost of bridges and culverts in towns and villages with a population of over 2,500 where the bridge or culvert is on a street that is designated as a connecting link between part of the King's highway. The present subsidy is 80 per cent. We are raising it to 90 per cent.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before the orders of the day I rise, and I am sure that I am correct this time, to extend felicitations to the hon. member for Grey South (Mr. Oliver) on having attained today his 58th birthday. He has now become, sir, as a result of the lamentable death of the former member for Brant, the dean of this Legislature in service. His nearest contender is, I think, some 10 or 11 years less in service and he has the respect of all of us.

However, he might permit me just to say that in his 36 years, I believe, of service he had some 15 of those with the UFO and some 21 or thereabouts with the Liberal Party. I am sure he will not mind me saying that when he first crossed, or moved sideways, into the Liberal Party he did not find the company just as happy as he has since. I notice that the record shows that after a year and a half on the treasury benches he was independent enough to resign.

However, in the last 20 years he has taken that seat with a solidity that has made him quite a mark. He has been leader of the Opposition, the official leader of the Opposition in this House on several occasions and he holds a record, sir, if I may say so, of sitting in this House on his birthday. March 6 and March 17 are dates on which we frequently find ourselves sitting here. He holds a record of having sat in that seat in Opposition for a longer period than any living hon. member of any Legislature in Canada.

I am sure, sir, that hon. members on this side will join with me in extending him many more years, as long as he remains in the same position.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, I am delighted that the hon. Attorney-General (Mr. Roberts) has taken this occasion to bring felicitations to our good friend from Grey South (Mr. Oliver).

Mr. Speaker, I would point out that what the hon. Attorney-General said is substantially true. There are one or two corrections, of course, that he will understand that I would immediately make. I think that he joined the Liberal Party enthusiastically rather than in any side motion. I assure hon. members

that only recently he told me that he is happier in his political career now than he has ever been and looks forward to changing his position, but not his party, in the not too distant future.

Mr. Speaker; the second observation that I would make is this, that the hon. member has completed 35 years in the House. I believe he begins now his 36th year and there are only two men in the history of Ontario who have accomplished that feat, the late Tom Kennedy and the late Harry Nixon.

I would suppose, Mr. Speaker, that I would not be out of order if I would remind the hon. members opposite that the hospitality fund has been used on occasions for less important functions than to honour this extraordinary attainment, that is the occasion when a member completes 35 years of continuous service to this province in this Legislature. This is an accomplishment of no mean feat, Mr. Speaker, and I certainly rise with pleasure to join in the tribute that has been paid to the hon. member for Grey South by the hon. Attorney-General.

Mr. D. C. MacDonald (York South): Mr. Speaker, after all the assertions and corrections that have been made, there is nothing more left for me to say than to congratulate the hon. gentleman on his birthday and on his tenure of office here in this Legislature.

Mr. F. R. Oliver (Grey South): Mr. Speaker, one is reluctant to take particular notice of such days as this because as the years roll along they seem to come with increasing rapidity and as one gets older one attempts in every way that he can to check the onward rush of time. In our way of life we have accomplished many things, but we have not been able to stem the moving tide of time.

So I guess all one can do as he gathers in maturity is to try to live his life the best he can whatever years remain to him. I want to just say now I am happy that my hon. leader and the hon. Attorney-General (Mr. Roberts) and the leader of the NDP have said these nice things on this occasion. I just would say thanks to all hon. members and I hope to be with them and expect to be with them for many years yet.

Hon. J. Yaremko (Provincial Secretary and Minister of Citizenship) begs leave to present to the House the following:

Report of the Minister of Education for the calendar year 1961.

Hon. H. L. Rowntree (Minister of Transport): Mr. Speaker, before the orders of the

day, may I bring attention to the fact that the report of the motor vehicle noise research committee has been printed and has been distributed to the hon. members of the Legislature today with a view to providing an opportunity of study of that report in order that it may be discussed and debated at an appropriate time.

Hon. Mr. Haskett: Mr. Speaker, before the orders of the day I should like to make a brief announcement regarding the jails in Ontario.

There are 37 municipal jails, 35 of these are county jails and two city jails. The government proposes certain important changes in the administration of these municipal jails.

Firstly, the government plans to transfer to the municipality operating a county or city jail the authority to appoint the jail staff and to set the wages. This will be done by way of an amendment to The Municipal Act, Section 358, that will be duly introduced by my colleague, the hon. Minister of Municipal Affairs (Mr. Cass). This will solve those problems that have flowed from the existing division of authority as between the municipality and The Department of Reform Institutions, including the status of the jail guards, who do have a right of appeal, but yet have lacked full recognition as either civil servants or municipal employees.

The appointment of the jail governor will require the approval of the Lieutenant-Governor in Council and the province will continue to make the inspections of the jails as provided under The Penal and Reform Institutions Inspection Act, thus assuring the maintenance of standards that are required in the operation of the jails.

The government plans also to make jail assistance grants as set forth in the bill that I introduced this afternoon under which the municipalities maintaining jails will receive grants of 10 per cent of the annual cost of operating the jails.

Furthermore, sir, The Department of Reform Institutions is embarking on or is extending its progressive programme of transferring as many as possible of the short-term prisoners from the jails to its open institutions. This will contribute to the reform work we are able to do and marks a real advance in the treatment of the offenders. It should aid too in preventing any crowding in the older jails, facilitating the proper segregation of prisoners, and allowing better maintenance of the jail.

Though the programme could afford a substantial saving to the municipalities operating jails, it is designed primarily to get as many as possible of these short-term prisoners serving 30- to 90-day terms out of the close debilitating confinement of maximum security jail cells and into our open institutions in the country—from that place where they have nothing to do but sit in idleness all day, day after day, and into the clear atmosphere of our open institutions where they will be doing healthful work and following good routine programmes of living.

Mr. V. M. Singer (York Centre): I wonder if the hon. Minister would permit a question? He stated that the jail guards do have a right of appeal and I wondered what that right is; if it is a right as a right, or a right as of grace?

Mr. Wintermeyer: Mr. Speaker, before you call the orders of the day, may I ask the hon. Prime Minister (Mr. Robarts) when the matter that was referred to the committee on privileges and elections prior to the Christmas recess will in fact be directed to that committee? Tomorrow being a committee day, it occurred to me this would be an appropriate time to ask him, sir, when the necessary motion will be made to refer that matter to the committee on privileges and elections?

Hon. Mr. Robarts: Mr. Speaker, I would hope to refer it to that committee some time next week—it will not be this week.

Mr. Speaker: Orders of the day.

Resuming the adjourned debate on the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee on ways and means.

ON THE BUDGET

Mr. R. M. Whicher (Bruce): Mr. Speaker, in rising to lead off in this debate, may I first, as always, congratulate the hon. Provincial Treasurer (Mr. Allan) on his presentation of his budget. Just as in everyday life, it is a pleasure to do business with a gentleman, so it is a pleasure to do business with our hon. Provincial Treasurer, always a gentleman, genial beyond the call of duty, and truly a political adversary who will be remembered in the future as he is appreciated in the present for his kindness and graciousness to all members of this House whatever our political affiliations may be.

Mr. Speaker, this is the first opportunity I have had to congratulate the winners of the recent by-elections. I do so most sincerely,

and wish all of them a complete satisfaction in their political lives, with the certain knowledge that, frustrating though it may be at times, there is much happiness in the work of looking after the interests of one's constituents and an appreciation by many for the work that one does. Particularly is it a happy occasion for us in the Opposition to welcome three Liberal members and to realize that there could very easily have been five with a little more work on our part; this work we are prepared to do in the future, at whatever time the next provincial election may be called. With 45 per cent of the popular vote in the by-elections and with the certainty of even more than this in a general election, we say to the hon. Prime Minister (Mr. Robarts): the sooner an election is called the better.

In my work in this House in the past seven years, I am proud to say that I have made many friends. As was said the other evening at the dinner of Mr. Speaker, this is an exclusive club, the most exclusive in Ontario, made up of many fine people. The good qualities of the hon. members are not confined to any one party, and particularly is this appreciated as one becomes politically older. There is, therefore, a little sadness in my heart for my many Conservative friends as I look at the beginning of the end of their political regime. They know it, and we know it. If they will not admit it, it is nevertheless in their hearts.

There is today a different feeling in the air. We Liberals smell the scent of victory, while Conservative gentlemen opposite are squirming to defend the indefensible: their own pitiful position and the equally embarrassing position of their Conservative colleagues in Ottawa. It is the strength of democracy—indeed, it is the very basis of democracy—that you cannot fool all of the people all of the time.

Today, the voters of Ontario are taking a hard look at what has been going on in this province, and they do not like what they see. There is greater attention, a closer scrutiny, being paid to provincial affairs, and the Conservative Party cannot bear the examination. I do not envy my Conservative friends; rather, I pity them as they try now to explain away their sins of commission and omission. Their words, Mr. Speaker, have never been better expressed than in the book of common prayer:

We have left undone those things which we ought to have done; and we have done those things which we ought not to have done.

The Conservative downfall, Mr. Speaker, while paved with their lack of ideas and the certain knowledge of the people of Ontario that they have been here too long, will be hastened by the lack of unity in their own party. While this has been apparent to all of us since the opening of the Legislature, never was it more obvious than last week when, two days before the Budget presentation, the hon. Minister of Energy Resources (Mr. Macaulay)—The Minister of Everything—relegated the hon. Provincial Treasurer to the position of Minister of National Revenue in Ottawa and appointed himself Minister of Finance. The hon. Minister's economic statement, which in years past has always formed the first part of the Budget itself, was truly a new and remarkable innovation. The hon. Minister has apparently recalled the words of Cicero: "When you are aspiring to the highest place, it is honourable to reach the second or even the third rank."

Mr. D. C. MacDonald (York South): He is in that place now.

Mr. Whicher: But I ask the hon. Minister with great respect, is he perhaps not over-taxing himself? Let us look at his duties: Minister of Economics and Development, head of what we are told will be a gigantic new housing development in the province, head of a new Economic Council for Ontario, head of the Ontario-St. Lawrence Development Commission, the Ontario Research Foundation, Minister of Energy Resources, head of the gigantic Ontario Hydro-Electric Commission, member of the all-powerful Treasury Board, and first lieutenant and chief adviser to the hon. Prime Minister.

Mr. K. Bryden (Woodbine): And acting Premier, too.

Mr. Whicher: Perhaps, Mr. Speaker, the hon. Minister should also consider the words of Longfellow: "Most people would succeed in small things if they were not troubled with great ambitions."

Allow me to assure the House, Mr. Speaker, that we on this side do not protest against this one-man wonder. While I have the greatest sympathy for the bitter concern which many of my Conservative friends feel regarding this small clique which runs the government, I know they will not expect me to lift a hand to stop it. When the history of The Rise and Fall of the Tory Empire is written, there will certainly be a chapter on how the Macaulay clique brought on the final fall.

Let there be no doubt about it, Mr. Speaker. We, on this side of the House, accept the Macaulay challenge, the Macaulay clique, the Macaulay budget, and it is my task and intention this afternoon to show just how frail and fatuous is the Macaulay salvation of the Conservative Party. This afternoon I propose to put the cards on the table; we shall examine them one by one and we shall see who is more fit to play them.

Before doing so, just a word concerning my hon. friends to the left. I must give them some credit; they are bears for punishment. Last autumn as we adjourned for the Christmas recess, we were told by them that they had reasonable chances in Eglinton and Brant, probable victories in Renfrew and Kenora, and a certain win in Beaches.

Mr. Bryden: Who said that?

Mr. Whicher: The results are self-evident. The only reason that they came as high as third in every riding was because there were only three parties running. And now they have lost their former national leader. Whatever the criticisms that one may make of Hazen Argue, there are two things that stand out. Firstly, he has proven over a period of years that he has considerable ability. Secondly, he certainly spoke the truth when he left the New Democratic Party. If there has ever been a party under the dominance of one segment of the population, it is the New Democratic Party. It has almost no support other than the labour movement, and really not a serious percentage of that. I must say, however, that they have almost 100 per cent support of all labour leaders. These leaders, drunk with power in their own movement, now are attempting to crucify it completely by seizing government power. Mr. Speaker, let us remember this, to the people on our left only a few months ago Hazen Argue was a good, honest and truthful man—

Mr. Bryden: I did not say anything about him.

Mr. Whicher: Yes, you did. —a born leader who had done much for the C.C.F. Party in the House of Commons. Today, according to them, he is changed as day from night. On top of this, our friends claim substantial support in other segments of the population other than labour and have tried vigorously to obtain farm support. Let me illustrate to you the support that they get from the farmers of Ontario.

In a story in the Owen Sound *Sun Times*

of January 31, 1962, in reporting a meeting in my area, it was described as follows:

The New Democratic Party provincial farm policy meeting in Markdale Tuesday was called off as only four persons of 150 that were to attend showed up.

Those who arrived were Donald MacDonald, the provincial party leader, Mrs. Jo Carter, provincial party secretary, George Richer, an organizer from London, and Robert Good of Brantford, who was to be the chairman of the meeting.

The hon. member for York South (Mr. MacDonald) will no doubt tell us that the reason that there were so few who attended was because of the unfavourable weather conditions. May I, however, respectfully point out to him that he got there from Toronto, and others of his group arrived from London and Brantford, but that there was not one single farmer from the Bruce and Grey county areas who attended the meeting. Need I say more?

Mr. MacDonald: May I rise on a question of privilege, Mr. Speaker?

Mr. Speaker: There is no privilege there.

Mr. MacDonald: I think, Mr. Speaker, I should correct factual errors in the statement the hon. gentleman has just read.

(a) the meeting was not held in Markdale, it was held in Walkerton; secondly, the roads were all blocked and he is wrong—the group he named was there first—but another car load got through behind the snowplows at noon. So with two factual errors you have an indication of the veracity of his statements.

Mr. Whicher: May, I say this, Mr. Speaker, in answer to the hon. member for York South, that knowing the farmers of Grey and Bruce very well, there would not have been anybody there if the roads had been open.

The farmers of the province of Ontario will not swallow the ideas of any political party who are led by union labour leaders who continually demand more and more, which in turn has made the price of farm machinery an almost unbearable burden for the average farmer to carry. I prophesy that not only will they be unsuccessful in obtaining the support of our Ontario farmers, but also that they will now lose the sizeable support that they have had in the province of Saskatchewan in the past.

Mr. Speaker, let us start laying the cards on the table. I have no intention of playing with the cards dealt by the government in the budget statement of the hon. Provincial

Treasurer or in the economic statement of the hon. Minister of Economics. Those cards, Mr. Speaker, came from a marked deck; they were marked cards. The government's budget was the result of phoney bookkeeping, just as this government's budgets for several years past have been the result of phoney bookkeeping.

That is a serious charge, Mr. Speaker, and I intend to prove it. This government has been cooking the books, and the time has come to inspect the kitchen.

On page eight of his budget statement, the hon. Provincial Treasurer reported the financial position for the fiscal year 1961-1962 in these terms:

Our interim surplus on ordinary account is estimated at \$432,000 after providing \$28,000,000 for capital works financed out of ordinary revenue and \$35,800,000 for sinking fund.

And on page 11 he dealt with the 1962-1963 fiscal year in these terms:

A surplus on ordinary account of \$374,000 is forecast for 1962-1963 after providing \$39,000,000 for sinking fund and \$66,000,000 for financing capital construction out of ordinary revenue.

Now I shall discuss the government's queer concepts of ordinary and capital expenditure in a moment. Let me at this point simply note what nice, neat, convenient figures these nominal surpluses are! How easy they make it for hon. members opposite to claim: "See! The government does not overtax, neither does it overspend! What good housekeepers we are". Well, Mr. Speaker, we have been hearing this refrain for quite a while; the unerring accuracy which enables the hon. Provincial Treasurer to forecast a surplus within 1/25 of one per cent of revenues has been a feature of his budgets for some years.

So let us apply a little common horse sense to these alleged surpluses, Mr. Speaker. What businessman would conclude that he had made a profit of \$100 if at the end of the year he had an increase of \$100 in his bank balance and if, at the same time, he also had an increase of \$300 in his unpaid bills? Yet that is precisely what this government is trying to sell to this House and this province.

I invite hon. members to examine the public accounts for the year ending March 31, 1961. That was a year in which the hon. Provincial Treasurer claimed a surplus of \$391,000. But what was the real cash position? The public accounts show the

government began the 1960-1961 fiscal year with \$19,580,000 in liabilities; at the end of the year it owed \$22,240,000. Thus, liabilities increased by \$2,660,000 at the end of the year. The government began the year with \$17,420,000 owing to it; it ended the year with \$19,090,000 in receivables, or an increase of \$1,670,000.

In short, Mr. Speaker, the net increase in liabilities was \$990,000, producing a deficit of almost \$600,000 for the year after the alleged surplus of \$391,000 is deducted. And yet a balanced budget was claimed.

Nor was the fiscal year 1960-1961 an unusual year by any means. I have examined the public accounts for the past five years, and in four out of five of those years, the government had a deficit in its real cash position instead of a surplus as was claimed. I shall table all the figures and simply give a summary here. In the fiscal year 1956-1957, the hon. Provincial Treasurer claimed a surplus of \$1,805,000; actually there was a deficit of \$60,000. In 1957-1958, the claimed surplus was \$866,000; in reality, there was a deficit of \$3,246,000. In 1958-1959, the surplus claimed was \$304,000, but actually there was a deficit of \$2,120,000. The 1959-1960 fiscal year was another year of error, but this time the government erred on the side of the angels; it claimed a surplus of \$864,000 when its real cash position showed a surplus of \$3,241,000.

I have already given the figures for 1960-1961 to the House. Over this five-year period, Mr. Speaker, the government claimed surpluses totalling \$4,230,000 when in reality it had a net deficit of \$2,789,000.

This is the picture, let me repeat, simply on the basis of what the government is pleased to call ordinary revenues and expenditures. When we include the so-called capital account, the government's claim to surpluses becomes downright laughable. I shall give the figures in a moment, but first let me repeat what I have said many times in this House, that the government's concept of what is ordinary and what is capital revenue and expenditure is arbitrary, deliberately misleading and irresponsible. It serves only one purpose, to enable the government to manipulate the accounts and put enough into current account to leave a nominal surplus.

So let us see what happens to the government's famous surpluses when capital disbursements are included. In the fiscal year 1956-1957, expenditures for highways and buildings, less receipts from disposal of assets and less provision for sinking fund, came to \$71,560,000, and when this is added to the

deficit on ordinary account, the grand deficit is \$71,620,000. In 1957-1958, the total deficit was \$64,277,000; in 1958-1959, \$86,930,000; in 1959-1960, \$104,026,000 and in 1960-1961, \$97,076,000. For the five-year period, Mr. Speaker, the government ran up deficits totalling \$423,929,000 while claiming surpluses totalling \$4,230,000.

No doubt my hon. friends opposite will say that statistics can be made to say whatever one wants them to say. I challenge them to apply a very simple test. If what I have said is true, then it follows that the provincial debt is increasing. If the government has really had the surpluses which have been claimed, then the provincial debt must be declining. What is the situation?

I quote from page nine of the hon. Provincial Treasurer's budget: "The province's net capital debt as on March 31, 1962 is estimated at \$1,200,000,000—an increase of \$148,100,000 over that of a year ago." The increase in 1960-1961 was \$99,000,000; in 1959-1960, it was \$93,023,000; in 1958-1959, it was \$81,926,000; in 1957-1958, \$60,328,000 and in 1956-1957, \$52,972,000. In the last six fiscal years, Mr. Speaker, the government's own figures show the net capital debt as increased by over \$535,000,000.

Heaven forbid, however, that this government should ever have a deficit. Hon. gentlemen opposite do not even admit that the word exists. This government does not have deficits; it has "shortfalls." I quote from page eight of the budget of the hon. Provincial Treasurer: "After providing \$211,500,000 for new capital construction, our *shortfall* of revenue in this current fiscal year 1961-1962 is estimated at \$145,900,000." And again on page 11: "However, since our expanded capital programme for 1962-1963 calls for outlays of \$230,000,000, the *shortfall* of revenue on overall account is forecast at \$123,600,000."

Mr. Speaker, what kind of double-talk is this? What better proof is required that this decrepit administration is so pitifully bankrupt that it must re-write the dictionary in a desperate effort to keep up the appearance of surpluses?

Mr. Speaker, we all know that appearances are deceiving, and fortunately in a democracy we have ways and means of getting at the truth. One way is through the office of the provincial auditor, who is a servant of this Legislature. There is a section, sir, in the auditor's report for 1960-1961 which is most pertinent to the manipulation of the accounts by this government so as to hide the province's true debt position. On page 17 of his report,

the auditor makes reference to the government's contribution to the teachers' superannuation fund and the public service superannuation fund. I quote from the report:

The actuarial examination of the teachers' superannuation fund has now been completed as at December 31, 1958. The actuary, Professor N. E. Sheppard, M.A., has presented his report dated January 12, 1961, to the chairman of the Teachers' Superannuation Commission of Ontario. The following paragraph is based on the above-mentioned report.

—this is the provincial auditor speaking.

As at December 31, 1958 the actuarial deficit of the fund was calculated to amount to \$203,886,000. The preceding valuation, made four years previously, as at December 31, 1954 showed an actuarial deficit of \$178,314,900. Thus the deficiency at the end of the four-year period had increased by some \$25.5 million, even after taking into account that the 4 per cent provincial contribution rate was raised to 6 per cent from January 1, 1956. The general increase in salaries during the four years is the basic cause of the larger deficit. The \$204 million deficit, in respect of the contributors, existing in 1958 will continue to grow, quite apart from any inflation, at 4.5 per cent interest per annum, less the special grant of \$1 million made by the province each year. The growth of this deficit at interest will thus be of the order of \$8 million per year.

—this is the provincial auditor talking, Mr. Speaker.

This is a serious situation both with respect to the amount of the deficit and the fact that it is apparently increasing each year. It is recommended that immediate steps be taken to place the fund on a sound actuarial basis.

Mr. Speaker, what an astounding revelation! Here is the auditor of the province of Ontario stating that the government owes the teachers' superannuation fund at least \$235 million to put it on a sound actuarial basis. Let us consider this most serious statement. This is not the Opposition making a charge but the provincial auditor placing the facts before the Legislature. Thank heaven for an unbiased individual to examine the books and accounting procedures! And what does he say?

The net debt at the moment is \$1.2 billion, but it now develops that the government owes an additional \$235 million to this super-

annuation fund—in short, at least a 20 per cent concealment of the debt picture and a cooking of the books as far as the taxpayers are concerned.

Let us continue with the auditor's report. He deals with the public service superannuation fund, and on page 17 he states:

No actuarial valuation of the public service superannuation fund has been made since March 31, 1952 and as a result the amount of the existing actuarial deficit is not known and will not be known until the next actuarial valuation is carried out. At the date of the last valuation this fund showed a deficiency of \$46,220,000.

I suggest, on the basis of a deficit of \$46 million in 1952, that the present actuarial deficit of the public service superannuation fund must be at least \$100 million. I ask the hon. Provincial Treasurer: where has he mentioned this situation in the budget? Does he believe this concealment to be fair either to the civil servants or to the taxpayers at large?

Small wonder, Mr. Speaker, that the provincial auditor's certification of the public accounts for 1960-1961 is most curiously worded. In paragraph 3 on page 7, he makes it clear that he is not prepared to state without qualification that the financial statements of the government have been properly drawn up so as to present fairly the financial position and the results of operations for the year. "Subject to the qualifications in this report," he declares.

Nowhere does he say explicitly what these qualifications are, but a careful reading of the subsequent paragraphs, I suggest, leaves little doubt that the provincial auditor does not approve and does not agree with the arbitrary and misleading distinction which this government has made between the current and capital accounts—a distinction, I repeat, designed solely to fool the taxpayers and conceal the government's true deficit position.

Mr. Speaker, this silly little game of "hiding the deficit" is about to be played out. For years, we on this side of the House have been exposing it; we have asked the government to reorganize the accounts, to admit the facts and to establish a programme for the orderly retirement of the provincial debt.

As this latest budget shows, my friends opposite have not hearkened to our plea. Yet they have not entirely closed their ears, and it is a relief to note that the Provincial Treasurer has at long last recognized the

need to appropriate sufficient annual revenue to retire the debt over a 30-year term. Dare we claim some small credit for this, Mr. Speaker, or is it more likely that the government has been warned by the bond houses to cut out the nonsense and get down to business?

Now, Mr. Speaker, my hon. friend dealt at some length in his budget presentation with the Liberal party's proposal that no sales tax should apply to consumer purchases of \$25 or less. From the political point of view, I can understand why the hon. gentleman seems so concerned about this proposal, and I can understand why he did not see fit to give the Liberal party due credit for advancing it.

But what I cannot understand, Mr. Speaker, is why the hon. gentleman should declare, and I quote from his speech:

The effect of such a change, while extremely difficult to estimate, would reduce revenue substantially.

Why should it be so difficult to estimate? The hon. Attorney-General had no difficulty last September when he was on what he thought was the victory trail to Varsity Arena, Toronto. This would-be leader of the Conservative party was in Kitchener, and according to a report in that leader of the Kelso Roberts fan club, *The Toronto Telegram*, he told 121 delegates to the Progressive Conservative nominating convention:

The \$10,000,000 to \$15,000,000 which would actually be collected under Mr. Wintermeyer's scheme would scarcely be worth collecting considering the cost involved.

Nor did a more successful aspirant for the Conservative leadership have any difficulty in estimating the effect of a \$25.00 exemption in the sales tax when he addressed this House, December 14, 1961. According to the hon. Prime Minister (Mr. Robarts):

If the leader of the Opposition's proposal became effective, the tax returns would be reduced on a full year's operations from \$150,000,000 estimated by the hon. Provincial Treasurer to about \$52,000,000.

And the hon. Prime Minister went on to claim that this would be the equivalent of increasing the sales tax to nine percent on taxable items if the \$25.00 exemption were put into effect.

But the hon. Provincial Treasurer seems to have had great difficulty in making an estimate. Perhaps it is difficult to distinguish

between Roberts and Robarts, Mr. Speaker, so the hon. gentleman decided to strike out on his own. Blithely ignoring his leader's claim that a \$25.00 exemption is the equivalent of a nine per cent sales tax, he declared:

If we make allowance for the avoidance of the tax which would result from a \$25.00 exemption, the rate on taxable items would not be three per cent but closer to eight per cent.

Well, Mr. Speaker, if it is the intention of hon. gentlemen opposite to confuse us, let me assure them that they have not succeeded. All they have done is reveal their own confusion and demonstrate to the House and the public that they do not know what they are talking about. For our part, I can only say we have known as much for a long time and I can only hope, in the interest of orderly debate, that they will soon go into a huddle and come up—all together—with a figure which we can take seriously.

There is another aspect of the sales tax, Mr. Speaker, which I suppose I should deal with at this time. The hon. Prime Minister, in his statement of December 14, made much of what he called piecemeal buying if a \$25.00 exemption were applied. He cited the case of the \$200.00 television set which could be broken up into cabinet, speaker chassis and other component parts so that each part would come to less than \$25.00 and thus would be exempt from sales tax. Well, sir, I do not know where the hon. Prime Minister buys his television sets; perhaps he will be good enough to inform hon. members where they can buy the cabinet, or the speaker, or the chassis, or the picture tube of a \$200.00 television set for less than \$25.00. Frankly, I wasn't very impressed with that example, and I gather the hon. Provincial Treasurer wasn't either, because he preferred the case of a set of golf clubs, asserting that purchasers would avoid the tax by buying one or two clubs at a time instead of a complete set.

Now surely the answer to this alleged problem is obvious. It is simply a matter of definition in the regulations. Certainly, a purchaser determined to avoid the tax would be able to do so in some cases at considerable inconvenience to himself. But a host of exemptions, all of which the government claims are administratively difficult, would be replaced by one exemption, with considerable saving in the costs of collection and enforcement. With a \$25.00 exemption, for example, virtually all sales from all the grocery, general, variety, drug, hardware and shoe

stores in the province would be exempt from sales tax.

To the hon. Prime Minister I ask this question: "Of what are you afraid?" To the hon. Provincial Treasurer I ask the same question. We are not totally babes in arms in the field of finance on this side of the House and our statements regarding the sales tax are not dreams but realities. Well over \$100 million can be placed in the hon. Treasurer's coffers with an exemption of \$25.00 and, because of the fact that this will exempt approximately 75 per cent of the retailers in the province from the necessity of collecting the tax, it will greatly decrease the administrative costs. Our offer, that we hope has been accepted by the hon. Prime Minister still stands. Let us sit down with his experts, explain our position in detail, show them how to do this job and, at the same time, greatly help the small businessmen of the province and the taxpayer in general.

Mr. Speaker, the government has been drifting aimlessly for many years. It is a policy of drift, without direction and without a goal. It is also a policy which pays little or no attention to simple common-sense economies. The government collects the money it needs, on a catch-as-catch-can basis, and spends it the same way. The house-keeping of government administration and spending is not being done and the result is a wasteful squandering of resources. Let me cite some specific instances.

The civil service—the backbone of government administration—has been most shabbily treated, and the taxpayer has been the loser. It is simply good business, it is only common-sense, to pay adequate salaries, competitive salaries, for competent people. But this is not the way this government views the civil service. Men and women are being forced out of the public service because the government will not pay enough to keep them; the government then has to hire new personnel and train them at great expense—until these replacements are driven away too.

The process has been repeating itself for years until the turnover in the civil service today is 10.6 per cent. The figures are even more alarming for public servants on the executive level. In the interests of false economy, the government has vitiated the competence and quality of the public administration.

In this respect, Mr. Speaker, I ask the government why it has done nothing to introduce the merit system in the public service of Ontario? I am informed this province is

alone in the western world in not having the merit system; Ontario, I am told, is on the same level of the public administration of Great Britain over one hundred years ago. Eventually, the civil servants of Ontario will have collective bargaining; and when that time comes, a great many incompetents will be entrenched in the administration—many of them placed there because of Conservative political patronage.

A merit system now would do two things—it would ensure that all job vacancies would be filled only on the basis of competition and impartial examination, and it would institute impartial standards whereby the performance of existing operations could be measured. I suggest it is obvious a merit system must precede collective bargaining and I think it is obvious it is essential to improve the quality of the public service. The salary bill for the civil service is a large one; if economy were the watchword, a prudent government would increase salaries where appropriate in order to keep the many key personnel in its employ, and thereby save the taxpayer money in the long run.

But, Mr. Speaker, hon. gentlemen opposite have not been adverse to looking after themselves. When one looks at the swollen Treasury benches opposite, one can see some argument for having a Senate where hon. gentlemen could be put out to pasture, instead of being created hon. Ministers without Portfolio. We have four such gentlemen now, in a Cabinet of twenty-one.

And let us look at the composition of that Cabinet, Mr. Speaker. The Departments of Education, Health, Highways, Public Welfare and Municipal Affairs between them account for 75 per cent of the budget; there are five Ministers to administer these departments. The remaining portfolios account for 25 per cent of the budget and these are handled by twelve Ministers. And then there are the four homeless Ministers without Portfolio, whose duties are most obscure.

Parkinson's Law is at work, Mr. Speaker, and little empires—with secretaries, assistants, chauffeurs, and cars—are being built. I venture to say that the taxpayer could be spared at least a quarter of a million dollars yearly by reorganization and reduction of the Cabinet.

One wonders, Mr. Speaker, what savings could be effected in the administration of the departments themselves. No doubt they would be substantial. Recently, for example, The Department of Highways announced that 22 service station areas will be built on Highway 401. Such servicing areas, of course,

are necessary. But why were the sites not bought and built at the same time as the highway itself? The land buyers of the department have had considerable trouble purchasing many of these sites and have had to pay considerably higher costs. Construction and grading costs will also be higher than they would have been had the government shown a little foresight and planning.

Not only have the taxpayers at large suffered for this shortsightedness, but many small businessmen will lose heavily because they took the government at its word. The original policy was that Highway 401 would have no servicing areas; as a result, service stations, restaurants and motels have been built on access roads—how much business can these people expect when the servicing areas on the highway itself are ready?

This lack of planning, Mr. Speaker, can be seen many times and in many places on the highways of Ontario. I invite hon. members to view Ontario's Stonehenge the next time they are in the Hamilton area near the Queen Elizabeth Highway and the Burlington Skyway cutoff; sterile pillars of concrete rise from the fields, bleak testimony to the fact that The Department of Highways capriciously decided to put the Chedoke by-pass elsewhere, at a cost to the taxpayer of many thousands, perhaps even hundreds of thousands, of dollars.

Mr. Speaker, one could go on at some length about this Department of Highways. Suffice it to say that it is the department of the contract overrun, whereby contractors are paid for claimed expenses above the mockery of tender bidding; it discounts economy; it places a premium upon inefficiency. It has no place in a properly administered department of government. Small wonder, Mr. Speaker, that it is such a feature of this government, a government which has overrun its contract with the people and must now face the dreadful accounting.

The Department of Highways is not alone in its spendthrift ways. May I cite, sir, the case of the Blenheim District High School which was brought to the attention of the House by my colleague the hon. member for Kent East (Mr. Spence). Two proposals were presented to the district high school board, both of them bearing the tentative approval of The Department of Education. As explained by the *Blenheim News-Tribune* on September 4, 1961, one proposal involved adding nine new rooms and making certain repairs to the high school at a total cost of \$407,985; of this, the provincial grant would have been \$178,210 and the school board's

share would have been \$229,775. The second proposal was that eight of the existing classrooms be torn down and seventeen new ones be built.

I ask the House to note that the net gain of nine rooms was the same in each case. Yet the second proposal would have involved a total cost of \$513,900, of which the province would have paid \$301,750 and the school board \$211,480. In other words, it would have saved the school board \$18,295 and it would have cost the province \$123,540 more to tear down eight rooms and build seventeen new ones, rather than simply adding nine new rooms. The explanation, Mr. Speaker, involves a tortuous explanation with which I shall not weary the House; but surely the lesson is clear: the government has no real concept of economy, no concern for saving the taxpayer a dollar wherever possible.

A classic example is to be found in the auditor's report for 1960-1961. On page 19 he points out that the federal government allows a sales tax refund on goods purchased by provincial government departments, but will not do so when dealing with Crown agencies of the provinces. I quote from the report:

An example of the inequity that has occurred under this system is that the Manitoba Health Services Plan, operated under the direction of the Minister of Health and Public Welfare, can buy materials free of federal sales tax because the manufacturer under the provisions of The Excise Tax Act is able to obtain a refund of the taxes paid thereon, while the Ontario Hospital Services Commission, performing precisely the same functions under a commission-type of operation and under separate statutory authority, cannot buy these goods tax free because the manufacturer is not permitted to obtain a refund of the tax paid on the sale of the goods. This condition appears indefensible and as yet no effective steps have been taken to correct it.

I am glad to see they are starting to sit up anyway, Mr. Speaker, because there is a lot more here yet.

What a slap in the face to the taxpayers of Ontario; what a needless extra cost to their pocketbooks, already overburdened by heavy taxation. I ask the government when it will take effective steps to correct what is truly an indefensible position. If my hon. friends opposite want to show some economy, here is a place to start.

Hon. R. W. Macaulay (Minister of Energy Resources): On a point of order, Mr. Chairman, would it be fair if the hon. member pointed out that the—

Mr. Whicher: The point, Mr. Chairman, is simply this: the auditor of the province of Ontario, the hon. Provincial Treasurer of this Legislature, has said that the government's position is indefensible and as yet no effective steps have been taken.

Hon. Mr. Macaulay: It is the federal government he is referring to.

Mr. Whicher: Mr. Speaker, I turn now to a forecast of what the position will be ten years hence, if the trends established by this government are allowed to continue without change, if the status quo is maintained—that is, if current tax rates and current rates of government services continue—then the budget of Ontario in 1971 will look like this:

Government expenditures will be over \$1.8 billion;

The year's deficit will be \$520 million;

The net capital debt will have reached \$4.13 billion.

These forecasts, Mr. Speaker, are all on the low side. They are based on 1961 dollars and make no allowance for inflation. They provide for no escalation for improved quality in existing services. Because they have been conservatively calculated, I believe they merit the serious consideration of all hon. members and I have therefore set them out in charts which I shall table for the benefit of *Hansard* and the hon. members.

Let us examine, Mr. Speaker, some of the major spending areas over the next ten years. The charts are particularly instructive in the field of education costs. They show that in 1971, provincial grants for primary and secondary education will exceed \$410 million; that municipal governments will be levying \$700 million in taxes for education; that municipal tax rates for education will be up 62 per cent over current levels.

I think hon. members will agree that these are startling figures and some extenuation of them is justified.

In 1961, Mr. Speaker, the elementary and secondary school enrolment in Ontario was 1,462,000. Assuming only that the current retention rate of 94 per cent for elementary schools continues and that the retention rate for secondary schools will rise from the current 65 to 75 per cent, then enrolment in 1971 will be 2,104,000. This means that education costs will rise from \$380 million

in 1961 to \$1.11 billion in 1971. Again I emphasize this is a minimum forecast and makes no allowance for monetary inflation. The province's share of this cost under the current grant structure will rise from \$191 million in 1961 to over \$410 million in 1971; the municipal share will rise from \$289 million to \$700 million.

All these forecasts, Mr. Speaker, are based on the government's own statistics concerning enrolment and pupil costs, school construction, teacher training, and teacher-pupil ratios.

Obviously, the effect on the municipal tax structure in Ontario will be catastrophic. We will know how mounting educational costs have placed a heavy strain on the municipalities in the last 10 years. But what has happened in the 50's will be a mere drop in the bucket compared to what will happen in the 60's if current trends and tax structure continue. In 1961, the municipalities spent an estimated \$290 million for education on a total taxable assessment of \$11 billion, a levy which represents a 29 mill rate on current assessment. If taxable assessment simply continues to increase at 4 per cent annually in real dollars, it will total \$15 billion in 1971. In order to raise \$700 million for education on this assessment, the municipal mill rate will have to rise to 47 mills—18 mills higher than in 1961 and an increase of 62 per cent in the 10 years.

How can the municipalities possibly adjust to this crushing burden? Where in this budget is there a single clue to indicate that my hon. friends opposite are even aware of the problem? What have they done except to wring their hands and cry that the municipalities must hold the line? Mr. Speaker, the prospects for 1971 which I have outlined cannot be prevented by holding the line. Are my hon. friends advocating birth control? Would they keep children out of the schools?

Perhaps this government will be good enough to explain just what it means by holding the line. Perhaps it will explain why, in its own budget, there is no indication anywhere of the need for a research crash programme to find ways and means of reducing education costs. Why is the government not allocating funds for research into school design, construction materials, classroom layouts, optimum school sizes?

Would the hon. Prime Minister (Mr. Robarts) be good enough to spare a moment from his many duties and tell us, in his role as hon. Minister of Education, whether the most efficient classroom is one that accommodates 15 pupils, or 30 pupils, or 200 pupils? Will he say how educational television can be exploited? Is any research

under way to determine the advisability of standardized architects' plans for school construction?

Mr. Speaker, I repeat there is not a clue in this budget to indicate any thought is being given to research to lower basic costs. If it is an honest budget—and I have stated my doubts about that—the government is doing nothing. It is content simply to dole out the grants in the same old way, passively accepting the status quo, abdicating its responsibility to protect the taxpayers' money by preventing unnecessary expenditures and by assuring that full value is received for money spent.

And may I point out to the House that I have allowed nothing for the costs of the new programme for technical and vocational education, or of provincial grants to the universities. The technical and vocational education programme is a new area on which little information is available at this time. But obviously it will involve higher operating and construction costs per pupil than is now the case in the academic secondary schools, a fact which many municipalities appear to be forgetting in their eagerness to accept the federal and provincial grants.

In respect of university education, the province's grants in 1961 totalled \$45.4 million. Since only between 6 and 7 per cent of the college-age group in Ontario is currently enrolled in the universities—compared to 30 per cent in the United States—it is virtually inevitable that university enrolment in the province will increase drastically. It is entirely probable, therefore, that the provincial government's grants to the universities in 1971 will total at least \$100 million. In any event, I simply suggest to the House that my picture of educational costs in 1971 has not been overdrawn.

Now, let us examine the next 10 years with respect to highways expenditures.

In 1958, The Department of Highways published a report giving detailed estimates of capital and maintenance costs both for provincial highways and for roads in counties, townships and urban municipalities. This report forecast an expenditure of \$7.1 billion in terms of 1957 dollars, for the 20-year period from 1957 to 1977. The provincial government will be required to spend \$2.4 billion on provincial highways and secondary roads. In addition, if the province shares the municipal programme on a 50-50 basis it will be required to spend an additional \$2.3 billion for a total expenditure of \$4.7 billion.

An examination of the capital expenditures planned by The Department of Highways in

the budget shows that \$247 million will be spent in 1962-1963. This is no more than one year's share of the 20-year programme and makes no allowance for the heavy backlog of work which the 1957 report said had to be done immediately. Clearly, if the overall programme is to be realized, there will have to be an acceleration in spending in the coming years. A little arithmetic indicates expenditures of \$320 million will be required by 1965-1966, even without allowing for monetary inflation, and that by 1971 the annual rate will be of the order of \$420 million.

Now what about the municipal share? The total cost to the municipalities for the 20-year programme was estimated at \$2.3 billion. This is an annual average of \$115 million. How does that figure compare with what the municipalities have been spending? Assuming that municipal expenditures have equalled the provincial grants, then the public accounts reveal that the municipalities in the past five years have been far below the \$115 million annual spending level which was expected of them in the department's 20-year plan. In 1958, the municipalities spent \$51.5 million on roads; in 1959, \$54 million; in 1960, \$62.4 million and in 1961, \$70.4 million. In the fiscal year now closing, they will have spent \$73.1 million and according to the budget, they will spend \$80.9 million in 1962-1963.

In short, Mr. Speaker, if the 1957 report has been implemented to date, municipal expenditures should total some \$690 million by the end of the next fiscal year. In fact, they will total some \$392.3 million, or about \$300 million short of the programme.

The conclusion is obvious: our back-log demand for more and better roads is increasing rather than decreasing. And it is equally obvious that it is not the fault of the municipalities. It is the fault of this government. "The powers of the municipalities devolve from the provinces and therefore municipal government is part and parcel of provincial government."

I wonder if the hon. member for Victoria (Mr. Frost)—I am sorry he is not in his seat—recognizes those words? He should. They are taken from a statement he made to the federal-provincial conference in July of 1960. We all know, certainly this government must know, that the municipalities are strapped by the current tax structure. For the municipalities to meet their share of the roads programme this year, the mill rate for local road construction and maintenance would have to be increased by 44 per cent. I ask

this government whether it seriously claims such an increase is realistic. Why, then, does it continue to blindly follow antiquated formulae based on a horse-and-buggy tax structure?

Mr. Speaker, I have shown that in education and in highways, this government has demonstrated no real desire to come to grips with real problems. In education, the province's share of the total cost has been approximately 40 per cent and there is no plan evident in the budget for relieving the municipal burden.

In highways, the department proposed a 20-year plan but in the first five years the plan has failed to meet even minimum requirements.

Let me emphasize the point, Mr. Speaker, that nowhere in the budget of this government can any plan of expenditures be found. There are no discernible priorities in the government's expenditures.

I have here a chart, Mr. Speaker, which will be tabled, that demonstrates what I mean. It sets out departmental ordinary expenditures as a percentage of the total budget for each of the seven years from 1957 to 1963. In 1957, expenditures of The Department of Agriculture were about 2 per cent of the total budget. In 1963 departmental expenditures for agriculture were still about 2 per cent of the total budget and the same ratio prevailed for all the years in between.

The same applies to the hon. Attorney-General's department. Its expenditures have been about 3 per cent of total costs.

The same thing applies to The Department of Lands and Forests at approximately 3 per cent; Public Welfare at approximately 6 per cent; Commerce and Development at approximately 1 per cent; Reform Institutions at about 2 per cent, and so on.

The figures speak for themselves, Mr. Speaker, and what they say clearly is that the expenditure policies of this government are those of drift. There is no direction to expenditures.

The departments are all growing at approximately the same rate and that rate is much closer to Parkinson's law of bureaucratic mushrooming than it is to the changing needs and requirements of the people of Ontario.

When one looks at these figures, Mr. Speaker, one can almost hear the hon. Prime Minister and his hon. Ministers drawing up their annual estimates. The procedure is simplicity itself. They get an estimate of total expenditure by adding the amount of

15 per cent deficit to estimated revenue. Then the hon. Prime Minister, or the members of the Treasury Board, interview the hon. Ministers and say: "Gentlemen, this year the total money available is X millions of dollars. The hon. Minister of Agriculture, therefore, can expect 2 per cent of that; the hon. Attorney-General 3 per cent; Lands and Forests 3 per cent; Commerce and Development 1 per cent; Public Welfare 6 or 7 per cent; Reform Institutions 2 per cent," and so on.

Mr. Speaker, the status quo triumphs again and the dynamic needs of this province are once again at the mercy of fate without any government planning, without any government direction, without any government initiative.

What will be the picture in 1971 if we go on in this way?

I have prepared a chart, which I shall table for the benefit of hon. members, which shows the actual revenues and expenditures for the province for the 10-year period, 1951-1961, along with the government's forecasts for 1962 and 1963. The chart then projects these trends to 1971.

The chart summarizes departmental expenditures under the headings of education, highways, health and welfare, interest charges, public works, etc., and I believe hon. members will find it merits study.

The figures for education show, for example, that the department's total expenditure in 1951 was \$60 million. This figure included grants to elementary and secondary schools, universities, libraries, the Teachers' Superannuation Fund and the administrative expenses of the department. By 1963 The Department of Education estimates its total expenses will be \$330 million.

Carrying the same trend forward the department's expenses will be \$440 million in 1966 and \$600 million in 1971. This figure, Mr. Speaker, makes no allowance for inflation and will be required just to maintain the status quo.

The same procedures employed in working out the projection for education costs have been applied to all other departments.

Highway expenditures of \$83 million in 1951 will be \$264 million in 1963. If the present trend continues, highway spending in 1966 will be \$320 million and by 1971, \$420 million.

Health and welfare expenditures of \$55 million in 1951 will be \$205 million in 1963. By 1966 this amount will rise to \$250 million and by 1971 to \$320 million.

Interest costs on public debt were \$20

million in 1950 and will be \$60 million in 1963. By 1966, and listen to this, interest costs will be \$90 million and by 1971 the interest costs bearing the debt that we have accumulated will be \$200 million annually.

Public works spending totalled \$12 million in 1951 and will amount to \$50 million in 1963. Because the public works programme of this province is not planned, Mr. Speaker, I have deliberately kept the expenditures for public works at the low figure of \$60 million by 1971 because I think it is inconceivable that the figure could be less.

The expenditures of all other departments in 1951 were \$48 million and will be \$177 million in 1963. Projecting the trend gives a total expenditure of \$210 million in 1966 and \$250 million in 1971.

The total expenditures of all departments in 1971 will be \$1.850 billion in terms of 1961 dollars.

I turn now to the projected tax revenues—the hon. Minister has to be fair about this thing—he is the expert about the tax revenues. We will give them to him. I turn now to projected tax revenues for Ontario on the basis of the present tax structure. In these projections I have used the government's own estimate of population increase and I have assumed a real growth rate of 3 per cent per year in terms of 1961 dollars. This growth rate, Mr. Speaker, is relatively greater than that experienced by Ontario under Progressive-Conservative administration in the past 10 years.

The projections show that in 1966 provincial government revenue will be \$1.095 billion and \$1.330 billion in 1971.

It is simple arithmetic to see what our deficits will be in the years between now and 1971. The deficit in 1966 will be \$270 million—that is only 4 years away. Averaging the increase in deficit for the five years from 1966 to 1971 at \$50 million per year, it is easy to see that in 1967 the annual deficit will be \$320 million; in 1968, \$370 million; in 1969, \$420 million; in 1970, \$470 million and in 1971 \$520 million. The accumulated deficits will bring our net debt to \$4.1 billion in 1971. The hon. Provincial Treasurer has expressed himself as mildly alarmed at our present net debt of \$1.2 billion. I wonder how he feels when he looks at his projections, if he has made any projections that is, when he sees a net debt in 1966 exceeding \$2 billion and in 1971 exceeding \$4 billion?

On a per capita basis the net debt in 1971 will be about \$536 for every man, woman

and child in Ontario, almost three times as much as the figure of \$180 in 1961.

Hon. Mr. Roberts: 1971 is not too far away, you know. It is only nine years. The hon. member will not be here by then, that is certain.

An hon. member: You will not be here a year from now.

Mr. Whicher: If I were the hon. Minister I would not worry about it at all. I am talking mostly to my own fellows who worry about it.

An hon. member: The hon. member is not worried about it?

Mr. Whicher: We will show the planning in a minute. And this \$4.1 billion in net debt by 1971, Mr. Speaker, is assuming no increases in provincial services, no improvements in the quality of existing services and, to be fair to the hon. Provincial Treasurer, no new taxes and no increases in existing tax rates.

As a consequence of this huge increase in net debt, debt interest payments in 1971 will be \$200 million or more than 10 per cent of the province's total expenditures.

In 1961 interest costs of \$44 million represented less than 5 per cent of the provincial budget.

Mr. Speaker, here are the cards of an unmarked deck placed face up on the table where the taxpayers of Ontario can have a proper look at them.

What price an incompetent government? What price stagnation? What price Toryism?

Mr. Speaker, the increase in provincial debt is only part of the total picture.

Let us look at municipal debt. I have prepared a graph, Mr. Speaker, which shows population increase in Ontario and trends in provincial and municipal debt from 1935 until today, with a projection to 1980.

The chart shows clearly that from 1935 to 1945 municipal debt in Ontario steadily declined from a high of \$460 million to \$231 million. In 1945 provincial debt was about \$483 million.

From 1945 to 1961 provincial debt rose from \$483 million to almost \$1.1 billion, an increase of over 100 per cent. In the same period municipal debt rose from \$231 million to \$1.62 billion, or an increase of almost 700 per cent.

In other words, municipal debt, which was less than half as large as provincial debt in 1945, is now one-third larger than provincial debt.

This, Mr. Speaker, is just another indication that the heaviest burdens of development in Ontario are being borne by the municipalities.

Small wonder, Mr. Speaker, that the Ontario Municipal Board is already issuing words of caution to municipalities about their growing debt.

In its last report, the board said the increase in the fixed overheads of municipalities was a serious matter and would become crippling in periods of recession if the total debt is not kept within a safe limit. During the year, the board expanded its earlier practice of requesting a capital budget or forecast from municipalities which, in the opinion of the board, were approaching the limits of safety for capital debt.

What better indication can there be, Mr. Speaker, of the increasing inability of municipal governments to finance their services?

If the position of municipalities is so bad today that the municipal board has to caution them, what will their position be in 1971?

Small wonder, Mr. Speaker, that the hon. Minister of Economics and Development (Mr. Macaulay) and the hon. Provincial Treasurer (Mr. Allan) have gone to great pains in their reports to leave the impression with this House and the public that the government's policies and programmes are directed towards economic growth. No doubt their expressions are meant sincerely. Unfortunately, the past is here to haunt them.

The budget, Mr. Speaker, should be more than an estimate of revenues and expenditures. A budget in excess of \$1 billion, sir, has significant effects on the economy of Ontario and on the economy of Canada. It is important that such a budget become an instrument of economic growth—a device by which the government exerts initiative in expanding and developing the economy in specific ways.

It is clear that the budgets presented by Conservative governments for the past two decades have not been geared to the specific task of promoting growth. They have frequently worked against economic expansion; they have caused Ontario to lose its share of the Canadian economy; they have resulted in the imposition of new and heavier tax loads.

I repeat: the Ontario budget has been working against economic expansion.

The economy of Canada and of Ontario goes in cycles. At a particular time it may be in a period of rapid growth. Business activity is high. There is large-scale capital investment. Employment is high. Money is in short supply and the general pressures of the economy are inflationary because they all tend to push up prices. In such periods government revenues swell.

In such expansive periods, wise government policy is to try to relieve excessive inflationary pressures in a number of ways, including tighter credit and reduced government spending. While the general economy spends, government saves and holds its surpluses or its borrowing capacity in reserve for a rainy day.

In periods of economic contraction business activity slows; unemployment increases; money is less in demand; and the general pressures of the economy are deflationary as prices tend to remain stable or to decline.

In order to alleviate the depressionary effects of such trends, sound government policy is to lower tax rates and to increase spending. In other words, when private business and individuals curtail spending the wise governments increase spending.

In short, Mr. Speaker, government policies should be employed as instruments to temper the general trend of the economy by swimming against the stream. This process is called contra-cycle budgeting.

But this policy has never been employed by this government.

In fact, for the past 12 years this government has been budgeting in a fashion that compounds the difficulties presented by general economic trends.

The budgetary practices of this government have been to follow the trend of the economy. In good times it expanded its budget, thereby increasing the competition for investment capital, increasing the competition for labour and exerting a powerful added pressure to inflationary trends.

In recessive periods it contracted its capital spending thereby making it more difficult for the economy to rally and recover.

This government's budget policies have not provided a true surplus for 15 years. In good times there is a deficit; in recessive periods there is a deficit; in each and every year there has been a deficit. Once again we have a budget which follows the Conservative status quo.

It is not a budget for economic growth. It is a budget that inhibits economic growth. And the reason it is not an instrument for growth is because this government has no policies of growth. This is not a government with a plan for Ontario and the initiative to carry it out; this is a government of caretakers doing what they have always done—presiding over an ever-expanding bureaucracy, watching expenditures rise in the same proportion in each department, establishing no priorities, and continuing a trend of ever-mounting deficits.

In an expanding economy, government revenues tend to rise in a ratio that keeps pace with the cost of services. Because the growth of the economy has not kept pace with the rising cost of service this government has continued to have larger and larger budgetary deficits. These increasing deficits have resulted in ever greater pressures on provincial credit. As our debt mounts the interest rates rise so that today the credit of Ontario is little better than some of our larger municipalities. The costs of servicing debt are rising steeply. The cost of debt service in Ontario today exceeds the budgets of all but the five largest departments.

The lack of growth has resulted, as it must inevitably, in higher taxes. The lack of growth is one of the reasons for the recently imposed sales tax.

This government imposed the sales tax, not to provide new services, or expanded services, but to pay for old debts. The sales tax in Ontario is one of the prices which the people of this province have had to pay for the lack of economic growth and the bad financial practices of this government.

Mr. Speaker, this government has not had a policy and a programme for economic growth. In fact, Ontario is losing its share of the Canadian economy. One of the chief indicators of growth is new capital investment. In 1951 Ontario had 36.7 per cent of the new capital investment in Canada; in 1959 it was 34.6 per cent.

What are the consequences of lack of economic growth? The failure to grow results in tax increase to meet rising expenses; it produces unemployment because the labour force grows faster than job openings; the debt increases relative to the total economy; increasing welfare costs go up, and lagging municipal assessments result in higher municipal taxes and increased municipal borrowing. We will show hon. members the future in a minute or two.

Mr. Speaker, I have already referred to the imposition of the sales tax, the largest

single levy imposed upon the people of Ontario by any government in this province's history. The sales tax, expected to raise some \$160 million in the next fiscal year, will be providing 17.3 per cent of the province's total ordinary and capital revenue. And yet the hon. Provincial Treasurer still anticipates a deficit next year of some \$134 million.

The effects of lack of growth on provincial revenue is demonstrated clearly in the budget's report that revenue from the corporation income tax will be \$19 million less than was estimated last year. And this, Mr. Speaker, in a year in which the hon. Minister of Economics reported a good business climate with a year-end upturn.

Rising unemployment is another indicator of lack of economic growth. What is the trend of employment in Ontario, Mr. Speaker? On page A-3 of his economic survey, the hon. Minister of Economics reported that unemployment as a percentage of the labour force in Ontario has been rising steadily from 2.4 per cent in 1956 to 5.5 per cent in 1961. The number of unemployed has risen from 51,000 in 1956 to 132,000 in 1961.

This is a clear indication that Ontario's rate of economic growth is not keeping pace with the growth of the labour force.

What about other indices of economic activity?

Do they reveal the economic growth which the hon. Minister of Economics spoke about so frequently last Tuesday, or to which the hon. Provincial Treasurer made reference last Thursday?

Let us look at the tables provided by the hon. Minister of Economics in his survey.

Page A-4 shows industrial employment in Ontario for the period 1946 to 1961 as a ratio with industrial employment in 1949 taken as the base of 100. The hon. Minister's tables show that industrial employment in 1961, at 119.2, was the lowest since 1955.

On page A-5 the hon. Minister shows housing completions for the period 1946-1961. Housing completions in 1961 totalled 43,754, the lowest number since 1954.

On page A-15 the hon. Minister shows a chart in which employment in primary industry—farming, forestry, mining, fishing and trapping—has steadily declined from 20 years as a percentage of total employment. This chart also shows that employment in manufacturing, has declined from 38 per cent of the labour force in 1951 to 30 per cent of the labour force in 1961.

Does this indicate economic growth?

On page 28 of his report the hon. Minister of Economics himself admitted:

It is apparent that there is still excess capacity in many of our industries and until this is fully utilized there will be no large-scale investment undertaken in the private sector.

And on page 29 he stated:

We recognize that our rate of growth in the last four years has not been adequate.

Small wonder that the advocacy of growth and the espousal of growth which we now hear from the hon. Minister has a hollow ring to it. Indeed, Mr. Speaker, I think the first step the hon. Minister of Economics might take to establish an element of realism in this matter would be to introduce the man who prepared the tables in his report to the man who wrote the text.

It is clear, Mr. Speaker, that the present tax structure, by its very rigidity, is inhibiting economic growth.

The fixed base of the property tax is like an aging Hercules straining to hold aloft an ever-growing number of services, all of them increasing rapidly in cost. The municipalities are straining now to keep pace with current services. They will be incapable of assuming additional services or even of improving the quality of existing services.

The rigidity of the municipal tax structure in Ontario is such that municipalities are facing local austerity as the price of local autonomy. Embellishment of municipal life by the provision of worthwhile and desirable amenities is almost prohibited by the tax structure.

In years gone by, municipal leaders worked hard for the growth of their communities. Today, largely because of the sterile rigidity of the local tax structure, municipal officials look on population growth as a mixed blessing at best, bringing more problems than solutions, more headaches than rewards, more dissension than satisfaction.

A normal and healthy attitude towards growth has been perverted. Caution has replaced confidence.

The rigidity of the provincial tax structure, and the paralysis of action which is evident throughout this whole budget presentation, is another inhibiting factor in the promotion of economic growth in Ontario.

The deficits which this government has been accumulating down through the years, in meeting the normal requirements of the

people of Ontario, have now mounted to the point where there is little flexibility in the present budget for additional provincial government programmes which has allowed circumstances to overwhelm it in the past 15 years. And now adjustments are no longer sufficient and major overhauls in provincial-federal and provincial-municipal relations are required.

The municipalities must have equity and flexibility restored to their taxing powers in terms of their responsibilities. The provincial government can no longer be a docile, contented cow, gratefully munching federal handouts and passing them on to the municipal governments.

The provincial government can no longer be a passive, unassertive middle man in the structure of Canadian government. The provincial government must exert the leadership which the constitution imposes and become an active, aggressive agency for the promotion of economic growth and development.

Mr. Speaker, the hon. Provincial Treasurer, in his estimate of revenue for the coming fiscal year, clearly shows that he does not really expect economic growth in Ontario in the next 12 months. It is true he has predicted an increase in revenue of \$148 million.

But this increase includes \$84 million more from the operation of the sales tax; \$33 million more from an adjustment in the personal income tax rebate under the federal-provincial tax-sharing agreements. In other words, higher taxes, not growth, will be providing \$117 million of the \$148 million increase in revenue. The hon. Provincial Treasurer may talk economic growth, Mr. Speaker, but he is not counting on it.

Mr. Speaker, I have shown the past and present sins of this government. I have shown how it has cooked the books and thrown a smokescreen around the true position of the provincial accounts in order to hide them from the voters. I have shown how 15 years of Tory budgeting has resulted in steeply rising municipal taxes, new provincial taxes, rising unemployment and economic stagnation. I have shown how the tired, hackneyed budget presentation given this House by the hon. Provincial Treasurer last Thursday does not meet the times and the needs of the people of Ontario.

I have shown how this House has been given a shortfall budget by a shortfall government.

Mr. Speaker, I turn now to the future. I will not weary the House by asking the

government whether it proposes to reform and do better in the future. There is no future but oblivion for this administration. The future belongs to the people of Ontario and to the Liberal Party, because only the Liberal Party is alive to the possibilities, the potential and the promise of Ontario.

I will therefore conclude, Mr. Speaker, with an outline of what the Liberal Party and a Liberal government will do in Ontario in the field of fiscal and economic policy.

What do Liberals want for Ontario?

We want a province where every man and woman who needs and wants a job can find one. We want an economy where everyone will receive a fair and decent return for his labour and can face the future with confidence and a sense of security and progress.

We want a community where there is a sense of co-operation, of purpose, of unity and of fair sharing.

We want expansion, not conservatism. We want production, not stagnation. We want change and movement and progress, not reaction and privilege and fat-cat Toryism.

Mr. Speaker, we believe this Liberal philosophy can be achieved by producing a real economic growth in Ontario of at least 4.5 per cent per annum. Expressed in current dollars, this would be an annual growth rate of between six and seven per cent. A Liberal government in Ontario will institute budgetary, fiscal and economic policies to ensure a growth rate of between six and seven per cent.

What would such expansion mean for the people of Ontario in the next ten years? Perhaps the best way to explain it would be to simply point out that in the past five years, there has been a 2.2 per cent increase in the gross provincial product in real terms. In short, the Liberal programme would more than double the growth rate of the last five years.

But a growth rate of 4.5 per cent in real terms would mean much more than that. It would mean a full employment economy. Not only would those currently unemployed be put back to work but jobs could be provided for all new entrants into the labour force. It would mean a decrease in welfare expenditures. It would provide the economic foundation for the full realization of our human resources. It would mean a 50 per cent growth in personal income in real terms by 1971; in other words, it would mean that the average person in Ontario would be 50 per cent better off than he is now.

If there is no acceleration in the growth rate—which the Conservative government has tolerated—the gross provincial product in 1971 will be about \$20 billion, and I have already described what that means in terms of deficits, provincial and municipal debt, and inadequate government revenues to meet essential services.

But an annual growth rate of 4.5 per cent in real terms will mean a gross provincial product in 1971 of \$24 billion. And this in turn would mean higher provincial revenues, lower debt charges and a balanced budget—without tax increases.

Mr. Speaker, to get the Ontario economy going again will require new capital investment in Ontario by industry, commerce, and all three levels of government, of \$4.5 billion per year for the next 10 years. By comparison, new capital investment in the province this year is expected to exceed \$3 billion. An annual average of \$4.5 billion is not a pie-in-the-sky figure. It is a realizable goal if we design our programmes to achieve it. New capital investment of \$4.5 billion annually would be the equivalent of 22 to 23 per cent of gross provincial product per year. I point out to the House that this rate is currently the target of the United States and several European economies. But in recent years, in Ontario, Conservative policies have produced an investment rate of only 20 per cent, or less, of gross provincial product.

One of the major reasons for the falling rate in new capital investment has been the failure of the government to devise and carry out programmes for economic expansion.

Mr. Speaker, the Liberal programme for economic growth will include a genuine and sympathetic understanding of the problems of business and industry and a willingness to use provincial services to assist industrial growth. I submit that the present government's unsympathetic approach is driving certain industry out of Ontario.

For example, Atlas Steels of Welland, Ontario, has begun construction of a \$40 million plant in Quebec, with the direct assistance of the Quebec government in locating an industrial site, and in securing favourable hydro-electric power contracts which are playing a significant role in the company's decision to build in Quebec, instead of expanding in Welland.

Atlas Steels is a company making a special product. The cost of energy is an unusually large part of the total cost of the product.

Long-term hydro-electric contracts at reasonable rates are a prime requisite for the successful operation of this company.

Ontario Hydro did not meet Quebec's competition in terms of rates over the life of the contract.

Mr. A. J. Reaume (Essex North): And that is true, too.

Hon. R. W. Macaulay (Minister of Energy Resources): That is not true.

Mr. Reaume: That is absolutely true. The hon. Minister knows it is true.

Mr. Whicher: Mr. Speaker, the answer to the thing is this: Atlas Steels are in Quebec, not in Ontario.

Hon. Mr. Macaulay: They are not in Quebec either.

Mr. Whicher: Mr. Speaker, a government desirous and determined to encourage economic growth in Ontario would have been certain that this \$40 million investment was kept here, along with the 400 permanent jobs which this investment will create.

Mr. Speaker, the provincial government cannot, by itself, produce all the growth rate which I have called for. But it can exert powerful influence in securing that measure of growth which is beyond its direct control. By developing a set of plans and programmes of its own, it can give leadership and direction to the other sectors involved. It can co-ordinate and support the efforts of the municipalities and it can take the lead in securing closer co-operation from the federal government.

To produce this co-ordination, co-operation and support among the three levels of government, there must be a searching review and reshaping of the entire tax structure. A full diagnosis is required before there can be an adequate cure. Many business and industrial leaders have called for such an investigation and study of the Canadian tax system. A Liberal government in Ontario will, as a matter of policy, promote, and if necessary convene, such a tax conference.

A Liberal government will establish an Ontario Development Fund with an authorized capital of \$200 million.

Mr. Speaker, let me cite you examples of what this fund could do. There are many manufactured products which the highly industrialized province of Ontario imports.

Hon. Mr. Macaulay: Which speech of mine is he reading now?

Mr. Whicher: I will tell him whose it is. It is mine. I do not suggest to the hon. Minister that he does not write his. I do not think he is being too fair.

There is no reason why many of these products could not be manufactured in Ontario. We intend to promote the establishment of such industry by making loans available from this fund at low interest rates.

For example, Mr. Speaker, Ontario is the home of all the automobile manufacturers in Canada. This year, some \$400 million worth of automobile parts will be imported into Canada. I suggest that the government should make it one of its goals to induce industry to produce in Canada all the automobile parts currently being imported. The active support of a sympathetic government together with the positive assistance of the Ontario Development Fund would go a long way towards achieving this goal.

The fund would also be used to encourage industry to process in Ontario, as much as possible of the raw materials which are currently being exported in a raw, or semi-finished condition, for finishing elsewhere.

This fund could also be used to particular advantage in promoting industrial location in regions that are currently being by-passed in the development of Ontario—for example, in eastern and northern Ontario. A strengthening of these regions, Mr. Speaker, would go a long way towards a sounder provincial economy.

A Liberal government will use the resources of the Ontario Development Fund to promote a massive programme of urban renewal.

Another function of the fund will be to provide money to set up marketing agencies in foreign countries to promote the sale of Ontario's farm products. There are more than 18 marketing boards in Ontario now, whose function is almost exclusively confined to marketing Ontario's farm products within the boundaries of Ontario.

The problem facing Ontario farmers is over-production and lack of markets. An aggressive sales force abroad is essential to Ontario farmers, at a time when the formation of new trading areas throughout the world threatens our traditional position.

Mr. Speaker, another goal of Liberal policy is a comprehensive programme of retraining those in the labour force who require it.

A Liberal government will undertake to provide leadership in co-ordinating labour, management and government in the achieving and maintaining of an adequate rate of economic growth.

Mr. Speaker, these are the policies of the Liberal Party. They will be the programmes of the Liberal government.

They are policies and programmes worthy of the people of Ontario.

Hon. Mr. Macaulay: Oh, we have not heard anything yet.

Mr. Whicher: They have not heard anything yet? Mr. Speaker, what they have heard is this. Action instead of sitting over there doing nothing. Instead of starving the farmers to death in this province, we are going to look after them. Instead of having thousands of people drawing money out of the unemployment insurance fund, we are going to put them back to work. And I think earlier in the speech, you will agree that I said we were going to make a few changes in the provincial Cabinet.

To continue, Mr. Speaker: They are progressive, positive and forward looking.

They are the foundation of the future. They are a rejection of the past and the present, I might add.

Hon. Mr. Macaulay: He has mentioned two planks, both of them he has stolen from us.

Mr. Whicher: Mr. Speaker, I do not care whose planks they are, but they are most important to the people of this province and we are going to initiate them.

They are a clarion call to the restoration of leadership. They are a condemnation of this government, its record and its budget.

Therefore, Mr. Speaker, I move, seconded by Mr. H. Worton, that the motion

That Mr. Speaker do now leave the chair and the House resolve itself into the committee of ways and means be amended by adding thereto the following words:

This House regrets that the government has failed during its term of office to present an orderly accounting of the finances of the province, and

This House regrets that the government has established no system of priorities in its expenditures and has exerted no control over the haphazard growth of its departments, and

This House regrets that this government has not utilized its budget as an instrument to promote the growth of Ontario's economy, and

This House regrets that the government has failed to implement the Liberal plan of a \$25 exemption in sales tax.

This House regrets that the government has not undertaken a provincial-municipal conference to restore equity and flexibility to the tax structure, and

This House regrets that the government has failed to exert its influence to secure a thorough review of the Canadian tax structure, and

Therefore, this House rejects the budget as presented and must advise Your Honour that the government does enjoy the confidence of the people of Ontario.

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, a House that is so overwhelmed with regrets will, I think, be very delighted to hear, through you, sir, that we have just had notification from the federal government at Ottawa concerning live polio virus vaccine, an additional service to the people of the province of Ontario. With your indulgence, sir, I would like to announce Ontario's part in this.

As of today, the federal Department of National Health and Welfare have issued a license to the Connaught Laboratories to distribute polio virus live oral vaccine to provincial departments of health.

We are all familiar with Salk vaccine, which was a killed vaccine given by needle. This new vaccine is prepared by a new process developed by Dr. Albert Sabin, of Cincinnati, by which the polio virus is treated to remove its disease-producing power yet retaining its power to produce protective antibodies. This vaccine is prepared in a solution of sweet syrup and is to be taken by mouth. It can be diluted with water and taken in a small paper cup, or by a plastic spoon. In the case of small infants it can be given by a dropper. At least two doses, and preferably three doses, should be given, at least eight weeks apart.

This vaccine will not be used to replace Salk vaccine, but rather to reinforce the level of immunity and give added assurance that any person who did not for any reason respond well to the Salk vaccine will get a good booster from the live oral vaccine. Its greatest value will be in giving adequate protection to a whole family unit or a whole community. It is easily and rapidly given and only requires the services of a nurse or other qualified person to measure out the dose.

The Department of Health has ordered a supply of this vaccine and will distribute it free of charge to local boards of health for administration by local health department

staff. Until the supply is unlimited we will have to restrict the distribution in this way.

It will be supplied to local boards of health to be given to children three months of age and over, together with the other members of the family. The family or household unit basis for administration is important since this is the segment of our population which is most vulnerable to poliomyelitis infection. In due course, perhaps even by next fall, it may be made available to everybody.

Our people have been very well vaccinated with Salk vaccine, but we have never had any means to be sure that they all have as high a level of protection as is possible. This new live polio virus vaccine, given by mouth instead of by needle, will give us a new level of assurance that protection is as high as possible.

The Connaught Laboratories, located, as hon. members know, here in Toronto at the university, have once again accomplished a great forward step in vaccine production. They have produced this new product and have made it safe and easy to administer. We are justifiably proud of this accomplishment.

Mr. Speaker, I thank you for this opportunity to break into the normal proceedings of the House in order that this announcement may be made to the people of the province of Ontario.

Mr. D. C. MacDonald (York South): Mr. Speaker, on a point of order, by what stretch of the imagination can the injection of that statement at this stage be in order? We were assured, Mr. Speaker, last week, that the budget debate would be put on today and that following the budget critic of the Liberal Party would be the budget critic of our group in the House. We are not in the normal position of before the orders of the day; we did not ask for a reversion to that position on your part. In other words, it was just an injection of a statement by the hon. Minister in violation of the rules of the House.

Now, Mr. Speaker—

Hon. Mr. Dymond: I did ask for a reversion to the orders of the day.

Mr. Speaker: I will agree to some extent with the hon. member for York South (Mr. MacDonald). I was notified by a note that the hon. Minister had a public announcement of something of real importance to announce to this House and I sent a note back that

possibly we could hear it after the present speaker had resumed his seat. However, I will agree with the hon. member for York South that it possibly could have waited until tomorrow before the orders of the day.

Mr. MacDonald: With respect, Mr. Speaker, I think your original idea was correct. It could only have been in order if it was made at the conclusion of the sitting today, not injected at this point. There are no special privileges for the hon. members of the Cabinet to ride roughshod over the rules of the House.

Hon. Mr. Dymond: I did not ask for any special privileges as a member of the Cabinet.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. K. Bryden (Woodbine): Mr. Speaker, I personally do not begrudge the hon. Minister his little effort to snatch a headline during the time that is traditionally devoted to the Opposition in the discussion of the budget. I would feel that the only way in which his effort could be considered to be in order would be if it is regarded as his contribution to this debate. However, I have no doubt that we will hear from him further in this debate at a later time.

In rising to participate in this debate, Mr. Speaker, I would like first of all to take advantage of this, my first opportunity to congratulate the new hon. members of the House. All of them have now taken their seats and I feel quite sure that they will all make a constructive contribution to the work of the House. I wish them success in all of their future endeavours which are not political in nature.

I would also like to congratulate the hon. Provincial Treasurer (Mr. Allan), a man for whom I have always had the highest regard, and I hope I have always made it clear that I have a high regard for him. Year after year he struggles manfully and without audible complaint to create an appearance of order out of the chaos of government policy. Admittedly, he has never succeeded in this endeavour but one can hardly blame him for that, because no man can achieve the impossible. At least he should be given an "A" for effort.

In discussing the budget, Mr. Speaker, I am afraid that I am going to disappoint a man whom I regard as a friend of mine, Mr. John Miller, the perceptive observer of the Toronto

Globe and Mail, by refraining from asking what he described in last Saturday's *Globe* as the perennial question as to how the government can claim a surplus when it actually has a deficit. I have asked that question many times in the past, I have never got an answer to it—and I may say many other people have done the same with the same lack of success—and I do not see much point in pursuing the matter any further.

I think it would be better if the hon. Provincial Treasurer would present his accounts in a straightforward manner, avoiding euphemisms such as "surplus on ordinary accounts" and "shortfall" and that sort of thing. After all, a deficit is a deficit, Mr. Speaker, it does not matter what you call it.

However, I will concede that the hon. Provincial Treasurer's little subterfuges do not really fool anybody. They are quite harmless. They have not fooled anybody, not even the hon. gentlemen on the Liberal benches. Since the hon. Provincial Treasurer seems to get genuine personal satisfaction out of them, I do not want to deny him his little pleasures.

I would, however, like in passing to refer to another of the hon. Provincial Treasurer's subterfuges. On pages nine and ten of his budget statement he tries to tell us that through his sinking fund arrangements he will retire part of the province's debt over a 35-year period and the balance over a 30-year period. I think that is a fair summary of what he said. When I heard that and read it I almost came to the conclusion that the hon. Provincial Treasurer must have been taking lessons from the hon. leader of the Opposition (Mr. Wintermeyer).

Now as we all know, the hon. leader of the Opposition has always been mesmerized by special funds. He seems quite convinced that a dollar put into a special fund can be made to do the work of two; it can first of all be used for the purpose of the fund and then be used for general purposes as well. That is a very good trick if you can do it, but I do not think even Houdini has managed to find out how you do it.

As far as the statement of the hon. Provincial Treasurer is concerned, I would suggest to him that the plain fact is that he is busily engaged in increasing the debt. Now if he knows a way of paying off debt by increasing it, I think he ought to let all hon. members in on the secret. I am certain that, possessed of that knowledge, all of them could become

rich men in a very short period of time. In this day and age, I would suggest to the hon. Provincial Treasurer, for his consideration, that the time may very well have come for a province of the size of Ontario to abandon double-talk about sinking funds, just as the federal government did a great many years ago. This, however, is merely in passing, Mr. Speaker.

There are other more substantial matters that I would like to deal with. But before I do that, I would like to make one or two references to the comments of my immediate predecessor in this debate.

Now the hon. member for Bruce (Mr. Whicher) is a man with whom I rarely agree, but I do not believe that there has ever been an occasion when I have spoken anything but well of him. I respect his sincerity, and I consider him a kind of man that I like to know.

It was therefore a matter of very considerable regret to me, Mr. Speaker, to find that political expediency had apparently reduced him to a despicable attack, at the opening of his remarks, on a perfectly honourable group of people, namely the men and women who have been elected to leadership in the trade union movement of this province and country and who, in discharging their responsibilities of leadership, carry out decisions which have been democratically arrived at at conventions representing the members who elected them.

Now it is a very old tactic, Mr. Speaker, to attempt to destroy the organizations which working people have formed for their own protection, by launching an attack on the leaders, whom the working people themselves have elected, and to try to drive a wedge between the leadership and the membership. This is an old labour-baiting, anti-union tactic, and apparently the hon. member for Bruce considers it quite suitable for the Liberal Party.

Apparently the tactic of that party in its present political exigencies is to try to sow dissension within the labour movement and between the labour movement and the rest of the community, in the hope that it can cash in on the resulting confusion. If this is the new Liberalism about which we have heard so much of late, Mr. Speaker, it is not much different or any different from the old Liberalism of Hepburn and Smallwood.

It is preposterous to suggest, as the hon. member for Bruce suggested, and as I may say, a gentleman such as the hon. Minister of Energy Resources (Mr. Macaulay) has tried to suggest, that people who have been

elected to office in the trade union movement, and indeed members of the trade union movement, should not be permitted, or perhaps should voluntarily abstain, from exercising their democratic right—and I would say responsibility—to play their part in the public affairs of the nation.

Mr. E. W. Sopha (Sudbury): We just say they should not be politicians and trade union leaders at the same time.

Mr. Bryden: The hon. gentleman from Sudbury (Mr. Sopha) says of a man who has been elected to a position of leadership in the trade union movement and has to stand for re-election and to submit an account of his stewardship, that if he wants to take an interest in the affairs of the nation, apparently, he should withdraw from his position within the trade union movement. I suggest to you, Mr. Speaker, that if we carry that principle very far, there would be very, very few people participating in the affairs of the nation, and the running of the country would be reduced to a group of professional politicians with very few roots in the community.

I believe that people who are leaders in the union movement, people who are leaders in the business world, people who are leaders in all phases of our nation's life should play a part in the affairs of the nation, should stand up and be counted, and should be prepared to identify themselves when they have positive opinions. The Liberal Party would like to restrict participation in democratic affairs exclusively to those people who support it. I will say for myself, and I think for my colleagues in the New Democratic Party, that we are proud that many people in the trade union movement, not all by any means, but many, and an increasing number, both in positions of leadership and among the rank-and-file membership, find that the programme of the New Democratic Party best expresses their own philosophy and objectives. I congratulate them, these people who have the courage to declare themselves, for having come forward and accepted their democratic responsibilities within the community.

Mr. Sopha: —with a platform like that.

Mr. Bryden: Well, if we are talking about platforms, maybe we will just pause for a moment or two. The Liberal Party has made a great attempt over the years to curry favour in the trade union movement. It has been conspicuously unsuccessful, and that may be the reason for its chagrin on

this particular point. However, I would like to take a moment to refer to one of the more recent efforts of the Ontario Liberal Association to curry favour among the ranks of the organized working people of this province.

Under date of June 15, 1961, a circular letter was sent out, under the letterhead of the Ontario Liberal Association and over the signature of Mr. Ian Wahn, who is described as the chairman of the labour policy committee of the Ontario Liberal Association, and I have no doubt a very fine man, as the hon. gentleman says. This circular was sent out to, as far as I know, all or most trade union locals in the province, and it reads, in part as follows:

At the last annual convention of the Liberal association, the Liberal Party adopted a strong, pro-labour platform which will be of interest to your union. Not only did the Ontario Liberal Party adopt the general principle of full support for the organized labour movement but—

Let us put in parentheses, attacking the leaders all the way down the line—

Mr. Sopha: Is that what it says there?

Mr. Bryden: That is what the hon. member's financial critic said this afternoon within his hearing. I put it in parentheses—

Mr. R. C. Edwards (Wentworth): Is it in the circular?

Mr. Bryden: I said "put in parentheses". Apparently the hon. gentleman from Wentworth (Mr. R. C. Edwards) has difficulty understanding ordinary English. However, I will continue with the quotation, Mr. Speaker. The letter goes on to say:

It is also called for specific reforms of the type the trade union movement has been demanding. These reforms include—

There is a list of them which I will not read, but I will mention the first one—which is the one in which I am particularly interested. Hon. members can read the rest of them if they like. The first one is:

Endorsation of the union label programme.

Mr. Speaker, I might mention that the circular which was set out conveying this programme, including endorsation of the union label programme of the trade union movement, did not itself carry a union label. This is an indication of the sincerity of Liberal promises.

I would like to call attention to a further manifestation of the sincerity of Liberal policy on this particular matter of endorsement of the union label programme. During the recent Beaches by-election campaign, the Liberal candidate, Mr. MacGregor, put out a large-sized newspaper-style publication—in fact, he put out two of these, I have one of them here—which was devoted entirely to extolling his merits, which I may say are quite considerable in my opinion, and various other matters which he considered would be useful in persuading the people to vote for him. Now then, when I received this, I was naturally interested in it, for I am always interested in items of this kind, and knowing of the Liberal policy of endorsement of the union label programme, I naturally took a quick look for the union label on this publication.

Mr. J. J. Wintermeyer (Leader of the Opposition): Why would the hon. member do that?

Mr. Bryden: Because I am interested in seeing the union label.

Mr. Wintermeyer: What about the candidate of the NDP in Hamilton?

Mr. Bryden: Mr. Speaker, on page two of the publication, in the lower right hand corner, my eye was attracted by something that certainly appeared to be a union label. This happens to be an area in which I am particularly interested, so I studied it a little more than perhaps the average person might do. I looked at it very carefully and although it is always noticeable that union labels, even when they are quite small, are quite legible, this one could not be read at all. Then I noticed beside it the number 62, which we know is the customary way of identifying the particular shop which printed the publication. So I phoned up both of the organizations that have authority to issue union labels in this city and I found that neither of them had a number 62. There is no 62 shop either for the lithographers or the allied printing trades in this city.

A friend of mine got a magnifying glass and we studied this symbol more carefully. It was impossible, Mr. Speaker, to distinguish anything in it but straight lines. It appears to be a union label but under examination it becomes very obvious that it is not a union label at all. It was a deliberate, calculated effort to deceive the public, to make them think that the union label was being used and the publication was being printed in a union shop under union conditions, when in

fact it was not being so published at all and there was no union label on it at all. I may say that this did not happen once, Mr. Speaker—

Mr. Wintermeyer: If this is proved to be an error, will the hon. member apologize to this House?

Mr. Bryden: Well, if it was in error, it was a repeated error because it happened a second time. A new edition of this newspaper was circulated to the electorate in Beaches—

Interjections by hon. members.

Mr. Speaker: Order I would ask the members if they would listen to the present speaker. The House has been very orderly this afternoon and I would ask the members to continue in that way. Up to the present time with the present speaker, I have been taking particular notice. If you add up all the interjections and what is being said at the same time, there are others who are actually speaking more than the speaker. It is very difficult under those circumstances.

Mr. Bryden: I may say, Mr. Speaker, that there was a second such publication put out in the campaign right on election day. It was put out by the Liberal Party and it was entitled: "The Danforth-Beaches Leader," but it was a straight piece of election propaganda put out by the party. The second one again contained this phony label, but I would judge that there may have been some complaint because this time it was scored a little bit even more than the one I have here, so that even the number 62 was illegible. This is what happened during the Beaches campaign.

I may say that I do not want to get into an argument at this stage as to whether or not printing should carry the union label. I believe that it should, and certainly no literature would ever be issued on my behalf that did not have the union label. But whether or not I am correct in that, I think all hon. members will agree with me that this attempt to deceive the public is thoroughly discreditable and totally unjustifiable.

Mr. Wintermeyer: I do not know that it was his paper.

Mr. Bryden: Well, the sponsorship of the paper is shown here. I will give the hon. leader of the Opposition a copy of it. In the masthead it is described as "The Danforth-Beaches Leader, published by the Don MacGregor Youth Committee, Don MacGregor

Campaign Headquarters, 2084 Queen Street East, Phone OX 8-2535."

Mr. Sopha: Would someone ask the hon. Attorney-General (Mr. Roberts) to come in, this may be organized crime.

Mr. Bryden: This is an indication, Mr. Speaker, of the reliance the public can place in Liberal promises.

Hon. I. Haskett (Minister of Reform Institutions): If this trademark were registered, action could be taken for infringement, but if the label be not registered the hon. member would have to rely on one of passing off, which is more difficult.

Mr. Bryden: Mr. Speaker, certainly the Allied Printing Trades label is registered and so also is the Amalgamated Lithographers' label, but I do not know what action the printing trades council might decide to take. I understand it is quite a complicated legal problem. It is fortunately not my responsibility to deal with that phase and I am certainly in no position to give them any advice at all. But I do call attention to the fact of the matter.

In turning to deal with the substance of the budget, I would like to say first of all that I have certain criticisms to make of the government and I am sure that the hon. Provincial Treasurer would be very surprised if I did not have. But I will promise him that I will not content myself merely with blasting the government from here to kingdom come, with practically no suggestions for concrete action. I believe that the government is open to criticism. I hope to put before it concrete proposals which I hope will be useful. At any rate they will be there for the government and the public to see and to judge.

The hon. member who preceded me in this debate (Mr. Whicher) blasted the government at great length, but I would suggest to him that it takes more to produce economic growth than simply to make a lot of noise and do a lot of desk-thumping. There was only one concrete suggestion in his budget that might stimulate economic growth. It was a good suggestion, it came out of the New Democratic programme as a matter of fact, and I will mention it myself a little later. But by itself it is quite inadequate. Much more than the hon. member suggested is required to restore growth to an acceptable level, and certainly much more is needed than merely mouthing generalities about the desirability of growth, with which I am sure everybody could agree.

With that preamble, Mr. Speaker, I will now proceed with my analysis of the budget for what it is worth, and of the economic situation in which this budget is produced.

Mr. Sopha: My daughter would like this better than Huckleberry Hound.

Mr. Bryden: The hon. Provincial Treasurer has been at some pains to persuade the public that the budget is a new departure. We have a new and youthful looking hon. Prime Minister (Mr. Roberts) and a new and youthful looking economic czar. No doubt, many people expected that under the circumstances we would also have a new and youthful looking budget.

Unfortunately, even a superficial examination reveals that it is really just the same old budget as the hon. Provincial Treasurer presented last year and the year before and the year before that. In fact, it is decidedly in the hoary old tradition of the budgets which the former hon. Prime Minister (Mr. Frost) presented regularly in this House before the hon. Provincial Treasurer assumed his present portfolio. If one took any of those old budgets and merely revised the figures upward, including the debt figures, one would have the present budget in all its essentials.

The basic policy of all those budgets was to drift with the tide.

Mr. Wintermeyer: I thought the hon. member was not going to be critical.

Mr. Bryden: On the contrary, I said I had criticisms to make, but I also have constructive suggestions which I will come to if the hon. leader of the Opposition will just be patient.

This was hardly an adequate approach to the responsibilities of government, but as long as the tide was flowing in the main, it was quite a pleasant avocation. All the government had to do was to congratulate itself on the growth that was taking place independently of it and to scurry around sufficiently to prevent developing shortages of social capital from resulting in complete collapse.

It is true that warning signs were appearing, and not least in the area of government finance. Gradually government surpluses declined until they became deficits, and the fact that the first deficit appeared right in the period of peak economic activity, that is in 1956 and 1957, might conceivably have given the government some food for thought.

It preferred, however, to avoid the travail of thought. It was easier to try to conceal the deficits by the reverse application of the formula which it had previously used to conceal its surpluses, and to drift along with the tide—right into the sharp recession of the past few years.

This, however, is water under the bridge. One could forgive the government its lack of foresight in the past if it were showing any disposition to learn the lessons of the past. Unfortunately, a study of the budget statement and of the monumental economic statement which preceded it reveals no such disposition at all. We have once again the same old complacency, the same old refusal to consider anything beyond the moment.

The tone of both the economic statement and the budget is one of self-congratulation on the fact that conditions are now somewhat better than they were a year ago. Heaven help us if they were not, because a year ago they were very bad indeed. There is still, however, the same basic failure to face reality as has been apparent in government statements in previous years.

The hon. Minister of Economics (Mr. Macaulay), for example, exaggerates the present level of economic activity by failing to take account of rising prices and rising population in almost all his statistical series. If he presented his figures in terms of constant dollars per capita, as he surely should if he wants to make valid comparisons with previous years, the picture would be much less rosy than he paints it.

Moreover, he totally ignores the fact that almost all those who have studied the subject, other than Tory politicians, are convinced that the present economic revival is inherently weak and is not likely to be long-lived. There is currently some dispute as to whether the next downturn will come in the last quarter of this year or will be delayed until the first quarter of 1963, but few experts question that a downturn will surely come on the basis of any evidence now available.

Hon. W. K. Warrender (Minister of Labour): Now that is not true.

Mr. Bryden: It certainly is true.

A study of Canadian economic development since the end of World War II indicates that we moved forward in three successive surges under the influence of three successive powerful stimuli.

First, there was the upsurge of 1945-1949. A large volume of unfilled demand which had accumulated under the restrictions of

war was released, and in addition, there was powerful new demand from European countries whose productive equipment had been all but destroyed by war and which were now in the process of rebuilding. These forces produced rapid economic growth in Canada but by 1949 they were largely spent and our economy started to drift downward again.

We were rescued from this unhappy situation by the Korean war, which stimulated the second surge forward in our economy. Peace, however, ultimately broke out in that particular shooting war, and we again found ourselves drifting downward.

The third and most powerful surge forward came in 1955 and 1956. Rapid development of our natural resources, mainly by US concerns, produced a powerful investment boom in Canada. In fact, the boom was clearly excessive and ought to have been checked. Acute shortages developed resulting in strong inflationary pressures.

One of the most unfortunate by-products of this situation was that the development of essential social capital was seriously retarded. Municipalities found it almost impossible to obtain funds to provide even the most elementary services. We are now paying the price for this lack of foresight. The community has been starved of social capital. This has obviously undesirable consequences in terms of human welfare, and also has undoubtedly been a factor in depressing business activity.

No business can operate without the services the community provides. Severe congestion, lack of adequate transportation, water and sewage facilities and of low cost housing, the menace of air and water pollution, inadequate education resources, all help to increase the cost of doing business to a degree which cannot possibly be estimated in quantitative terms, but which is unquestionably substantial. In fact, lack of social capital may very well be the most important single factor contributing to a high and inflexible cost structure in Canada.

In the overall picture, the inevitable consequence of the excessive boom of 1956 and 1957 was the bust which came in 1957 and 1958. Liberal propagandists are now feverishly trying to create the impression that recessions are the special prerogative of the Tories. They hope everyone will forget the fact that the seeds of our present troubles were all sown before 1957, when the Liberals, not the Tories, were in power in Ottawa.

Their total failure to control the boom of 1955-1956, to spread investment of the day

over a longer period of time and to allocate scarce investment funds according to something approaching a sensible system of social priorities was bound to result in collapse. Indeed, the downturn had already started while the Liberals were still in office, and they gave no indication that they had any clearer idea than the subsequent Conservative administration of how to deal with it.

It is not my purpose, however, to assess precise degrees of incompetence as between two incompetent administrations. It would take the wisdom of Solomon to do that. One could forget the errors of the past if there were any disposition to deal with the problems of the future in an intelligent and realistic way. Unfortunately, there is no evidence of that at all.

The government of Ontario, like the government of Canada, is content to bask in the reflected glory, such as it is, of the minor recovery we are now enjoying, without any thought about what comes after. This may be good politics in a federal election year, but it is bad economics, especially for a government that now professes to have a five-year plan.

Sooner or later we are going to have to face the fact that the dynamic forces that made for expansion in the decade or so following the war are no longer present, and there is no evidence at present of anything to replace them. These forces, it should be stated, were purely fortuitous. They were not in any sense the product of government policy either at Ottawa or Queen's Park. But at least they existed, and it was feasible, even if not sensible, for governments to drift along with them—as they did, both at Ottawa and Queen's Park.

Today we are in an entirely new situation, and a policy of drift, which never was good enough, is now entirely inadequate. Mr. William Lougheed, the Toronto economist—and an economist, I may say, who normally represents the business point of view; he is a very well qualified man but his associations are mainly with the business community—summed the situation up in this way at page 10 of his valuable new book, "Secondary Manufacturing Industry in the Canadian Economy."

From 1958 on it has become evident that the economy has used up the head of steam that formerly propelled it insistently forward. The growth rate is diminishing, and it is observable that boom periods are becoming shorter and recoveries from minor recessions longer and more troublesome.

Now, if I may interject for a minute, Mr. Speaker, the hon. Minister of Labour (Mr. Warrender) accused me a moment ago of being a crepe-hanger. I have no doubt that he would apply the same epithet to Mr. Lougheed. Indeed, I would take it that he would apply that epithet to any person who wants to discuss our present situation in any serious or realistic manner.

Hon. Mr. Warrender: The hon. member could get five economists to give the opposite view.

Mr. Bryden: But continuing from Mr. Lougheed, I would like to quote this:

Nothing appears at the present moment to be shaping up which would play a part similar to the conditions of the 1945-1949 period, or of the Korean War scare which followed, or of the 1955-1956 round of resource development and public investment.

Until some such stimulant as Mr. Lougheed referred to appears or is created, we will continue to limp along with chronic hard-core unemployment and unused capacity. There will undoubtedly be minor upturns from time to time but the long-term condition is bound to be one of stagnation.

Moreover, there is no reason to believe that we will be so lucky as we were in the past, when strong expansionary forces appeared spontaneously or fortuitously to compensate for our own lack of policy. On the contrary, all the evidence indicates that external forces will be working against us in many important respects.

The war-ravaged nations have now recovered and they are offering powerful competition. The development of the European Common Market and the probable adherence of Britain and other outer seven countries to it do not justify the immature squalling we have heard from Ottawa during the past year, but they certainly provide food for serious thought. The development of automation, both domestically and beyond our boundaries, is already creating doubts and fears and is bound to result in serious dislocations in the near future. A stagnant economy is not well equipped to deal with problems of this kind.

The lesson is obvious. If we cannot count on new expansionary forces to appear spontaneously, we must take positive steps to create them. In this respect, our failure of the past creates an opportunity for the future.

I have already referred to the shortage of social capital which has been allowed to

develop in this country and province over the years. Let us remedy this deficiency with a bold, imaginative, co-ordinated programme of public investment—to build the roads and other transportation facilities, schools, hospitals, houses, parks and recreation areas, water and sewage works and power facilities we need so badly, and to eliminate forever the blight of slums and pollution. These are not mere make-work projects; they will create wealth as well as work for our people and strength for our country and province.

There is no shortage of wealth-creating projects to be undertaken. Our problem is to make a proper selection and to develop a programme that is both large enough and balanced enough to produce maximum results. The patch-and-paste type of public works programmes this province has carried on in the past and is still carrying on are not good enough.

It is not sufficient to dive in here, there and everywhere with makeshift programmes designed merely to prevent growing crises in various service areas from becoming calamities. A carefully planned, long-term programme of public investment, involving close co-operation by both the federal and provincial authorities, is clearly required.

I realize that talk of planned public investment conjures up visions of an undefined calamity vaguely described as "creeping socialism" in the minds of faint-hearted Tories in both Conservative and Liberal ranks. Perhaps these escapists may be induced to face reality by a voice from the business world, and for that reason I would like to quote another extract from the book of Mr. W. F. Lougheed to which I have already referred.

Hon. A. K. Roberts (Attorney-General): Does the hon. member agree with his general principle of attack?

Mr. Bryden: Oh, I think he has a very sound argument. It would be surprising if anyone agreed with everything he said, but he certainly has a very sound thesis and a very sound analysis. In my opinion, I think it is an excellent book. But I would like to read just one more sentence from it. This is in the summary which appears at the very beginning of the book and the page number is roman numeral vi:

The horror of creeping socialism [he says] is always with us and this fear is not without basis, yet we must face the fact that the economy is now suffering from creeping paralysis. This is the choice.

Public investment to compensate for inadequate private investment is the only choice

sane men can make when faced with the alternative of creeping paralysis. Not only is it desirable in itself, but if undertaken on a sufficiently large scale, it will provide the stimulant to real growth which we now lack.

As it proceeds, new demands will be created for the products of private industry. The present excess capacity will disappear, and provided with new opportunities, private investment will revive. The result will be an accelerating growth of the economy.

By itself, however, this will not be good enough. We cannot afford to ignore the lessons of 1955-1956. It is imperative that in the future we avoid the uncontrolled kind of boom we had then. Our aim should be to stimulate steady and continuous growth, avoiding the pitfalls of unemployment on the one hand and inflation on the other. This requires planning.

The subject of economic and social planning is one that has always been dear to my heart, and I can assure the House that it is only with the greatest of self-restraint that I refrain from dealing with it in some detail now. I do so in the expectation that I may be able to express my ideas on this vital subject more fully under the estimates of The Department of Commerce and Development. For the present I prefer to devote my attention to the more immediate problem of restoring economic growth.

The budget discloses only two areas in which significant new public investment is contemplated.

The first is to provide for the extension of technical and vocational training facilities. The programme envisaged is substantial and very much needed.

It suffers, however, from the disadvantage of years of neglect by this government and the then Liberal government at Ottawa of the important problem of technical training. As a result, the present programme is very much of a shot-gun affair, blasted together without adequate foresight or planning to deal with an emergency that has now become desperate.

From an investment point of view it is useful, though by itself it is far from sufficient to meet the requirements of the day; but from the point of view of providing technical training in a rational and efficient manner, it leaves very much to be desired. Indications are that substantial waste will result from the wrong facilities being constructed in the wrong places and, if I may add, from the wrong courses being offered in many instances, and this could have been avoided by proper planning. This is a matter which

I hope my hon. colleagues and I will have an opportunity to deal with at another time.

The other new departure the government claims to have undertaken in the investment field relates to housing. The housing programme which was first announced by the hon. Prime Minister, is described in the budget statement as "a new and bold effort by the government to meet public housing needs in the light of the greatly changed conditions that now exist."

An hon. member: Bold and imaginative, too.

Mr. Bryden: The statement is bolder than the programme, I may say. In fact, I would say that it would take a lot of nerve to make such a statement in view of the nature of the programme. However, I will proceed.

This statement sounds wonderful, but one is entitled to be sceptical in view of the numerous announcements this government has made over the years of bold new housing programmes which in practice did not amount to anything. Perhaps the new hon. Prime Minister and the new economic czar have turned over a new leaf, but the evidence of the budget is not reassuring.

A little over \$1 million is to be appropriated on current account for housing in the coming fiscal year, together with \$5.6 million on capital account, making a total on all accounts of a little more than \$6.6 million for this bold new housing programme. Over the past five years, annual appropriations for housing on current and capital account taken together ranged from a low of \$5.776 million in 1958-1959 to a high of \$9.673 million in 1959-1960.

In other words, this year's appropriations are of about the same magnitude as those for previous years. What, then, is so bold about the programme and what is so new?

It is true that in previous years the government actually spent only a fraction of the amounts appropriated. The appropriations were for window-dressing purposes only.

It is to be hoped that the appropriation will actually be spent in the coming fiscal year. If so, I agree something new will have been added. Nevertheless, the total appropriation amounts to only two-thirds of one per cent of the total budget.

If this is a "bold effort", I would hate to contemplate a timorous one. Clearly the government is not serious about either housing or investment.

I have already expressed the view that a

massive programme of public investment is needed to restore to the economy the dynamism it now lacks. I have also indicated that such a programme will stimulate private investment and will be reinforced by it. The present situation is serious enough, however, that direct stimulants to private investment should also be considered.

In dealing with this subject, it is important in my opinion to distinguish between measures that have some reasonable prospect of achieving the desired result and those which will merely have the effect of making the rich richer and this is a very important area of debate at the present time, Mr. Speaker.

At the present time the community is being deluged with a flood of propaganda to the effect that the level of government spending and with it the burden of taxation in Canada are too high to permit satisfactory economic growth, and that if taxes on corporations and wealthy individuals were reduced, economic growth would be stimulated.

This mythology is the stock-in-trade of Conservative and Liberal speakers as well as many business leaders and editorial writers. It is repeated time after time, yet I have never seen a solitary shred of evidence to support it. On the contrary, available evidence points to a quite different conclusion.

The best available figures on rates of economic growth have been produced by the British National Institute of Economic and Social Research and I would like, Mr. Speaker, to refer to its *Economic Review*—that is a publication—for July, 1961. This publication showed that in the period between 1954 and 1959 Canada ranked tenth among the nations of the western world in terms of economic growth—Iron Curtain countries were excluded from the study. Ahead of us were Japan, Italy, Germany, France, Sweden, the Netherlands, Norway, Denmark and the United States, in that order.

Figures published in the United Nations Yearbook of National Accounts indicate that all of these countries except Japan and Italy had heavier burdens of taxation than Canada, and in most cases substantially heavier burdens. Moreover, the same publication shows that in the 1954-1959 period, about which we are talking, government spending increased at a faster rate in all but one of these countries than it did in Canada, and in most cases at a much faster rate. The only exception was the Netherlands.

Most of these countries, of course, have more extensive social security systems than

Canada, and this is a major reason for their higher levels of taxation and government spending. Their experience seems to indicate that, notwithstanding the scare propaganda of the Canadian Chamber of Commerce, it is not necessary to starve old age pensioners and others in order to achieve a satisfactory rate of economic growth.

The theory that reduced income and corporation taxes will stimulate economic activity is based on the claim that corporations and wealthy individuals undertake most of the country's investment. If they have ample funds available, it is claimed, they will invest those funds in employment-creating projects. The solution to our difficulties, therefore, is to reduce the few progressive elements that now exist in our tax structure and to shift more and more of the burden of taxation from the rich to the poor, as this government has already done with its retail sales tax and as would still be the case with the Wintermeyer version of this sales tax.

This, of course, is a very comfortable theory for rich people and their spokesmen. If one is not poor himself, it is always nice to think that the way to save the country is to make the poor tighten their belts. Such a proposition may be acceptable to the Conservative and Liberal parties, which after all are essentially the parties of special privilege, but I can say quite categorically that it is not in accord with the ideas of social justice held by the New Democratic Party.

Moreover, it is not in accord with the known facts regarding our current economic difficulties in Canada and Ontario. Our problem is not a shortage of investment funds. It is a shortage of investment opportunities. Even the hon. Minister of Economics and Development has had to recognize that in a sentence that has already been quoted, but I think is worth quoting again. It appears on page 28 of his economic statement. "There is still excess capacity in many of our industries and until this is fully utilized there will be no large-scale investment undertaken in the private sector."

Interjections by hon. members.

Mr. Bryden: Now, I often disagree with the hon. Minister, but notwithstanding the immature chirping to my right from people who do not understand these problems thoroughly, I think he hit the nail right on the head with that sentence. There will be no large-scale investment in the private sector as long as we have the present excess

capacity. Now let us face that fact and work from it.

The crux of our problem is that consumer demand for goods and services is inadequate to use to the full the productive capacity we already possess. Therefore, it does not matter how much money you try to put into the hands of corporations and private individuals, they will not invest in sufficient measure to take up the present slack in the economy, because they simply will not be able to find sufficient opportunities for profitable investment.

That surely is just plain common sense. No private individuals or corporations are going to invest unless they can see a reasonable opportunity for a profitable return on the investment.

To shift the tax burden from the rich to the poor will simply make matters worse, because it will reduce demand still further. I have made many criticisms of Ontario's new sales tax, which I will not repeat here, but my major criticism is that it necessarily reduces demand to some extent, and to the extent that it does, it helps to intensify our economic difficulties. I submit, Mr. Speaker, that is a basic economic objection with respect to the timing of the tax which has never been answered by the government or the Liberal Party, both of whom favour this tax.

The futility of liberalized corporation tax arrangements as a method of stimulating investment under present conditions has been demonstrated by the federal government's experience over the past two years with its provisions for accelerated depreciation. That experience was well summarized in the following paragraph which appeared in a front page story in the *Toronto Globe and Mail* on February 28, 1962:

Trade officials believe that the tax incentive devices introduced in the two previous budgets, which consist mainly of accelerated depreciation measures, have had only a limited effect in encouraging the expansion of Canadian industry required to provide an ever-increasing demand for labour.

Mr. Sopha: Is the hon. member suggesting we are advocating liberalized corporation taxes? The hon. member should stop building these straw men and knocking them down and proving he is such a great—

Mr. Bryden: I have not had anything to do with straw men at all. I leave that department entirely to the hon. member for Sudbury (Mr. Sopha). He is an expert at it.

The hon. member for Sudbury drivels on and on in this House. Admittedly when he has the floor his efforts are pretty poor, so he tries to improve upon them when other people have the floor.

Mr. Sopha: I am not immodest like the hon. member for Woodbine and the hon. Minister of Economics (Mr. Macaulay), I admit that.

Interjections by hon. members.

Mr. Speaker: Order!

Mr. Bryden: Mr. Speaker, I would like to carry my argument a stage further. Measures which merely liberalize corporation tax arrangements will not only not produce the desired result in the current situation, but they are positively harmful in that they intensify another serious difficulty facing us at the present time. I refer to the increasing concentration of private investment funds in the hands of a relatively small number of corporations.

The days when new development was financed mainly by placing new issues on the stock market are long departed. Such development is now usually financed by corporations, primarily out of depreciation and depletion allowances and secondarily, and I may say to a very considerable extent, out of undistributed profits.

Canadians as individuals are frequently accused of being unwilling to take risks. In my opinion, this accusation is unjust. Their problem is not that they are unwilling to invest in risk-taking enterprises but that they have little opportunity to do so. The average citizen, unless he wants to take a wild gamble on moose pasture, has little option but to put his savings into bonds or insurance policies or stocks that are already trading on the market and whose purchase does not represent any new investment.

Private investment is now becoming the prerogative not of people but of faceless and soulless corporations. This has led Eric W. Kierans, president of the Montreal and Canadian Stock Exchanges, "to pause and to muse on the future of a capitalistic system that has no further need for more capitalists."

The result is that monopoly control is rapidly being extended and tightened. Relatively small groups of managers of increasingly powerful corporations are more and more taking over decision-making functions within our economy.

When decisions are to be made as to whether to invest or how to invest the funds

of the company, these managers quite naturally determine their course according to what they consider to be in the best interests of their respective companies. But the best interests of a particular corporation do not necessarily correspond at any given time with the best interests of the community as a whole.

Mr. Sopha: Would the hon. member permit a question? I would like to ask the hon. member, with his permission, sir, whether in Saskatchewan the corporations that ran the leather tannery, the shoe factory, the paint spray company, the woollen mill, the housing corporation, the box factory and the sodium sulphate plant, whether those corporations were faithless and soulless?

Mr. R. Gisborn (Wentworth East): They were boycotted by the rest of the country.

Mr. Bryden: I think it would be rather dangerous to confuse the hon. member with facts, Mr. Speaker, so I will ignore his perfectly frivolous question.

The problem is compounded in Canada by the fact that most of our large corporations are controlled from outside the country. We are thus in the unenviable position where many important decisions affecting our welfare may be made from outside the country on the basis of factors that have little or nothing to do with our own best interests.

I submit that everything possible should be done to reverse this trend. I believe it is in the public interest that power to make investment decisions in the private sector be spread as widely as possible.

In fact, Mr. Speaker, after listening to the reactions of some of the hon. gentlemen in both of the other groups to what I have been saying up to now, I have come to the conclusion that I and my associates are perhaps the only exponents of free enterprise in this House. These other fellows apparently are in favour of bureaucratic corporations controlling the country.

Not only will this spread of investment decision help to curb monopoly power, but it will make for greater flexibility and, if I may use this word, Mr. Speaker, greater venturesomeness in investment activity. The inherent conservatism—and I think one could use both a large and a small "C" in this particular context—of the large bureaucratic corporations is notorious and inevitable. It is simply the product of its size. It is not a ground for criticism, but there it is, the conservatism is there.

The fact that such large corporations have so large a say in private investment decisions is in my opinion an important factor holding back growth at the present time.

In the light of this analysis I would like to propose a number of measures which I believe will genuinely stimulate private investment and thereby reinforce the programme of public investment which I have already said is essential to full economic recovery.

My first suggestion is that the taxes on corporation profits which are distributed to the shareholders in dividends should be reduced—and I would say significantly reduced, perhaps even with the ultimate objective of eliminating them altogether—provided that taxes on undistributed profits are retained at least at their present level and preferably increased, and provided also that the present provisions regarding depreciation and depletion allowances are substantially tightened up.

Mr. Sopha: What is the hon. member's objection? What jurisdiction does this Legislature have over that?

Mr. Bryden: I had understood that the hon. member for Sudbury (Mr. Sopha) took up the time of instructors at Osgoode Hall, and if he did not learn from them that provinces have powers in the field of direct taxation, I cannot take responsibility for his education at this time.

Mr. Sopha: What association have I with Osgoode Hall? I graduated from the other place.

Mr. Bryden: The effect of the provision that I have just put forward would be to induce corporations to disgorge at least some of their retained profits. The shareholder would begin to come into his own again, and why shouldn't he? Theoretically, he is supposed to own the company.

What is more important, potential investment funds would be spread more widely, and investment decisions would be more varied and flexible.

The company itself would suffer no harm in the event that it had expansion plans of its own. In all probability it would no longer have enough funds in its own treasury to carry out its plans, but that would hardly—

Hon. Mr. Macaulay: And this would not affect the numbers of shares?

Mr. Bryden: I think if dividends went up that maybe the value of the shares would increase.

Hon. Mr. Macaulay: If dividends went down, and the hon. member had forced this kind of thing on us—

Mr. Bryden: I am proposing a distribution of profits, a greater distribution than now takes place. I know that the hon. Minister has trouble with arithmetic, but that is going to make dividends go up. The money that I want to get out of the hands of the corporations I suggest should go into the hands of the shareholders. I think that would create a very desirable element of flexibility in our economic structure and in our investment structure.

Hon. Mr. Macaulay: I see. Then what does the company use to invest?

Mr. D. C. MacDonald (York South): They may borrow, like they used to do, in days gone by, instead of getting it all—

Mr. Bryden: In all probability, a company that wanted to expand would not have enough funds in its own treasury to carry out its plans.

Mr. Speaker: Order, order. I would like to draw the attention of hon. members once again to the fact that one speaker at a time is quite sufficient in this Chamber. It is most difficult for me, and I am sure many of the other hon. members, to hear what the speaker is saying when there is all the undercurrent and interjection.

Mr. Bryden: I was trying to suggest, Mr. Speaker, that the fact that a corporation is not in a position to finance its expansion entirely out of its own treasury should not be regarded as a disadvantage. My suggestion is that such a company can readily remedy the deficiency by going to the market. I would like to ask these hon. gentlemen, who claim that they are exponents of the free-enterprise system, what is wrong with asking a company to meet the test of the market, which most of them can now escape?

Mr. Sopha: The hon. member could not blame that speech on anybody else. He did write that.

Mr. Bryden: I would further suggest, Mr. Speaker, that the government would not suffer any loss of revenue under my plan. It is true that the revenue from corporation taxes would be reduced but this would be compensated for and probably more than compensated for by increased revenues from the income taxes paid by the people receiving increased

dividends. I am assuming, of course, that the present dividend tax credit would be eliminated, but this seems to be a fair assumption since there could be no conceivable argument for the retention of that credit under the proposal I am now making.

It is true that if the provincial government adopted this proposal on its own it could very well lose revenue with the compensating gain going to the federal government because of the way in which the corporation and income tax revenues are divided up. I believe, however, that in this as in other proposals I will make, there should be close co-operation between the federal and provincial governments and I am satisfied that they can jointly work out a plan that would be of benefit to both the country and the province and would not have any unfortunate consequences for the treasuries of either the federal government or the provincial government.

The next suggestion I would like to make, Mr. Speaker, is one that is now causing a fair degree of public discussion, even to the point where the financial critic of the Liberal Party has picked it up. As I said earlier, it was the only concrete suggestion he made in quite a lengthy and vigorous speech.

The proposal, as I indicated at the time, came from the programme of the New Democratic Party and I would like to refer to page 6 of that programme which has been published in a booklet form and which I think—

Hon. Mr. Macaulay: What date was that?

Mr. Bryden: This was adopted at the founding convention of the New Democratic Party held in Ottawa at the end of July and the beginning of August. It represented a digest of documents that had been circulated a year or more before then and had been under discussion within the New Democratic Party for considerably more than a year prior to August, 1961. But I am now taking the official statement which was adopted by the convention.

In that programme the New Democratic Party advocates the establishment of a Canadian development fund "to give Canadians a greater opportunity to invest in the future of their own country." I believe that such a fund should be set up and I believe—apparently this is now a matter of unanimity as far as principle, at any rate, is concerned within this House—I believe that we should have a similar fund in Ontario.

I would like to make certain suggestions, however, as to the composition of this fund,

because I am not quite sure if the specific ideas I have in mind are as readily acceptable to other hon. members. Perhaps they are, perhaps they are not, but I would like to put my ideas on the record. I believe that the fund should consist of money contributed in part by the government, together with funds subscribed by the public on a share capital basis.

Such a fund would provide the government with some of the capital required for development purposes. I really do not believe, Mr. Speaker, that it could be stretched as far as the hon. member for Bruce (Mr. Whicher) apparently thinks, but, as I indicated earlier, the hon. gentlemen on the Liberal benches are always mesmerised by funds. They seem to think that they can use the same dollar in many different ways provided they have it in a fund. However, I do agree that it would provide some of the capital required for development purposes.

It would not necessarily be used for the purposes of public enterprise, although that possibility should certainly not be ruled out; it would also be available to assist private enterprises of merit and joint public-private enterprises. Above all—and as a matter of fact, this is a feature of it to which particular attention was called in the federal programme of the New Democratic Party and the one which appeals to me the most—it would give the man of limited means an opportunity he does not now possess to invest a little bit of his savings in Ontario and in Ontario's development.

In the past the government has boasted loudly and at length about the development of Ontario, but essentially what it has been talking about is the Oshawa-Toronto-Hamilton-Niagara complex and a few other isolated spots in the province. A study of the *Ontario Survey*—I think that is the title, it is hard to tell from this frontispiece exactly what the title is, but I believe it is *Ontario Survey*—published by The Ontario Department of Economics in 1961—a very excellent piece of work, I may say, one for which I congratulate the department and the hon. Minister.

An hon. member: Is there a picture of the hon. Minister in it?

Mr. Bryden: Very likely, but I missed that part. I was more interested in some of the more thrilling sections of the publication. A study of that survey indicates that those parts of Ontario which have similar economic characteristics to those of the less advanced parts of Canada are similarly retarded in their development.

After all, this growth that took part in some sections was not produced by the government. This is demonstrated by the fact that they were not able to produce it in other parts of the province.

In other words, the development that has taken place in the province in the past 15 years has been localized and has really had nothing to do with government policy. Unfortunately, it has been dazzling enough to blind the government to serious problems of imbalance. On the one hand, slow strangulation is rapidly inflating costs in the metropolitan complex, while other parts of the province are suffering from underdevelopment.

Concessions on corporation taxes are devices that can be used legitimately to counter this trend, and I would urge the provincial and federal governments to get together in working out a programme along these lines.

Now, I do not think they disagree with me, why do they not do something about it?

Hon. Mr. Macaulay: Is the hon. member quoting this, or is it his opinion on it?

Mr. Bryden: Anything I say is usually my opinion unless I specify otherwise.

Hon. Mr. Macaulay: Let us be fair, it does not sound anything more like the hon. member than the man in the moon. Is he talking about what he is saying or is he quoting somebody?

Mr. Bryden: This is completely in accord with my ideas of economic planning.

Hon. Mr. Macaulay: As of when?

Mr. Bryden: As of a good many years ago. And in accordance with views that I have expressed in this House and other places before. Tax incentives by themselves are probably not enough—they undoubtedly should be supplemented by direct subsidies and public enterprise in appropriate circumstances—but they will certainly be helpful.

Hon. Mr. Macaulay: This is a complete reversal of policy.

Mr. Bryden: The great difficulty that the hon. Minister of Economics always suffers under is that he never pays attention, or rarely pays attention, to what anybody else says. He attributes to other people his own twisted version of what he thinks they ought to say, and then he blasts them for that. Anything he has ever attributed to us has not even a coincidental resemblance to what we

have said in the past. I am grateful, Mr. Speaker, that at long last I appear to be contributing something to the enlightenment of the hon. Minister.

Coming to another and related point, I believe that concessions on corporation taxes can also be used to encourage enterprises subject to heavy seasonal unemployment to spread their operations more evenly over the year. I would suggest that the federal and provincial governments should work out a joint programme of rebates on corporation taxes for off-season production undertaken by firms in specified seasonal industries.

An hon. member: Where did the hon. member get that?

Mr. Bryden: It is all in our programme. The only trouble is that these hon. gentlemen go around spreading the most grotesque falsehoods about our programme to the point where they begin to believe them themselves, and the truth comes to them as a great surprise.

Mr. Sopha: The hon. member stood in this House and he advocated increasing taxation on natural resource industries.

Mr. Bryden: I still do.

Mr. Speaker: Order! Now I will appeal to the hon. members for the third time, in one afternoon. I will point out that the budget debate is just starting and all hon. members will have an opportunity to speak on it. At this point, in the early part of the debate, we more or less set the stage for the entire debate and I am sure that when hon. members themselves wish to speak, they will wish to obtain order. As a matter of fact, I find that some of the worst offenders, as far as I am concerned, are some that insist on order from the Speaker when they are speaking themselves.

I would ask the hon. member to proceed.

Mr. Bryden: Thank you, Mr. Speaker.

I will not attempt to penetrate the fog surrounding the hon. member for Sudbury, Mr. Speaker, but I would merely mention that what I am talking about now has nothing to do with revenues from natural resources. I am talking about problems of seasonal employment which undoubtedly affect the resource industries to some extent, but it is a much more widespread problem than that.

Mr. Sopha: If the Speaker permitted me, I would say to the hon. member, do not try to weasel out of it.

Mr. Bryden: I would be very happy at any time to repeat what I have said previously about taxation of resources, but frankly, Mr. Speaker, I think I have stated my views on that a good many times in this House and I do not really think it is necessary to repeat them. I am quite sure that hon. members are familiar with them.

There are some other matters, however, that I would like to deal with. The final suggestion I have to make is one of somewhat more long-term import. I would propose that the federal and provincial governments should work out a plan to induce private industry to deposit part of its retained earnings in special accounts, which would be released for investment only at times to be determined by an appropriate government planning agency. The inducement given to industry to co-operate in such a project would be reduction or elimination of the corporation tax on any profits deposited in the special accounts.

Experience in Sweden has demonstrated that such a device can be very useful in levelling out the business cycle. In periods when private investment is too high and threatening to produce inflation, private companies can be induced to defer some of their plans. Subsequently when private investment begins to fall off, the deferred investment can be brought into play to offset the natural trend towards reduced economic activity and rising unemployment.

I realize that there is no need to induce industry to defer investment at the present time. We should, however, be looking to the future. If the federal and provincial governments would undertake the large-scale programme of public investment which I am advocating, we can reasonably look forward to a time in the not-too-distant future when strong inflationary pressures will again be present in the economy. It is only common sense to start laying the groundwork now for plans to offset those forces when they appear.

Certainly, a plan of the type I have just outlined would have been useful in controlling the boom of 1955-1956 and the subsequent recession.

I believe that the various proposals I have made, when taken together, will solve our

number one domestic problem in Canada today—the problem of inducing a sufficiently high rate of growth to eliminate unemployment.

Basically our problem is lack of demand for the goods and services we are already able to produce. I think that almost all economists agree that increased investment is the most effective stimulant of demand. Because of the so-called multiplier effect, any given amount of money spent on investment will have a much more powerful influence than the same amount spent directly on consumption. In the present situation, however, private investment itself is insufficient because of the insufficiency of demand.

The only way to get out of this vicious circle is to use public investment to compensate for inadequate private investment. This will stimulate private investment since it will provide opportunities which do not now exist. In addition, I have proposed that certain direct stimulants for private investment should also be provided.

The measures I have proposed are instruments of planning. In view of the ill-informed charge often made that planning necessarily involves large-scale regimentation, I would like to point out that not one of the proposals I have made would involve any compulsion of any kind whatever. They would provide stimuli and offer inducements and incentives, but they would not require anybody to do anything.

The point is that each of them is part of a co-ordinated programme which, in turn, is based on a careful analysis of the exact nature of the problem facing us. This in my view is the essence of democratic planning, and, as I indicated earlier, I expect that I will have an opportunity to elaborate those views at a later time.

Mr. Speaker, I have completed that phase of my address which relates to the budget and to the economic situation in the province. There is, however, one other matter unrelated to the budget itself, which I would like to deal with, and perhaps, since it is now 6 o'clock, that could be deferred until after the recess.

It being 6 of the clock, the House took recess.





Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, March 6, 1962
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 6, 1962

The House resumed at 8 o'clock, p.m.

Mr. K. Bryden (Woodbine): Mr. Speaker, when I left off just before the recess, I had completed my remarks that were specifically directed to the budget and to the economic situation in which the budget is presented.

The budget debate is traditionally a time when private members can call attention to grievances. There are a number of grievances that I could feel quite justified in bringing to the attention of the House but, in view of the amount of time I have already taken in this debate, I will confine myself to one which in my opinion is of such major importance that no opportunity should be missed to deal with it.

I am referring to the situation existing in the Metropolitan Toronto jail, otherwise known as the Don Jail. I heard the statement made, before the orders of the day, on this subject by the hon. Minister of Reform Institutions (Mr. Haskett). I am happy to note that after years and years of effort on the part of many people to move the government to take some action to remedy a totally ridiculous situation, at last under the new hon. Minister a step is being taken. At least, I would judge—I have not had time to study his statement—but I would judge a step has been taken to remove the employees from the totally impossible situation they were in where, year after year, year in and year out, for about 10 years, action on their legitimate and very urgent grievances was never taken, because the province of Ontario passed the buck to the city of Toronto, or the municipality of Metropolitan Toronto, the municipality passed it back to the province.

And so it went, back and forth, no action ever taken, the employees admitted on all sides to be grossly underpaid, without proper procedures for dealing with grievances, without proper procedures for negotiating reasonable working conditions. I would judge from the statement of the hon. Minister that this situation is now remedied and the jurisdiction turned over entirely to the municipality of Metropolitan Toronto.

Hon. I. Haskett (Minister of Reform Institutions): If I may correct the hon. member; about to be.

Mr. Bryden: About to be, yes. I think that will be beneficial to the employees because the municipality of Metropolitan Toronto, I think, has a pretty good record in labour-management relations and it pays reasonably good wages. I am certain that when these employees get to deal with the Metro council they will at least have their association recognized—if it still exists—and that is a point I will deal with in a moment. They will be able to negotiate some sort of a collective agreement which will, I trust and I feel sure, provide for quite substantial wage increases which are long overdue.

So that is a constructive step in a situation which had come to appear almost hopeless.

But I would like to state, Mr. Speaker, that it does not by any means remedy the injustice—

Mr. R. Gisborn (Wentworth East): On a point of order, Mr. Speaker, could we please draw your attention to the squabbling and arguments that are going on to my left. I am close to my colleague but I can hardly hear him myself. Would you call these gentlemen to order so that we can hear the fine presentation the hon. member is making?

Mr. Bryden: I would like to state, Mr. Speaker, that the step that the hon. Minister announced today, though valuable, still does not wipe out the gross injustice that was perpetrated in this institution over the past few months.

It came as a matter of surprise and regret to many of us to discover not long ago that the hon. Minister of Labour (Mr. Warrender) had blatantly lined himself up on the side of the Royal York Hotel and the Canadian Pacific Railway in their clear attempt to smash a union of employees of the Royal York Hotel. This was shocking to many of us but after a little reflection, Mr. Speaker, I must say that I found it was not so surprising after all; because,

when you get right down to it, the government itself was engaged in what was nothing more than an attempt to smash an association of employees in Metro Toronto jail.

Interjections by hon. members.

Mr. Bryden: Well, there is an old quotation to the effect that there is no use in crying "peace, peace" when there is no peace. And peace cannot be based on injustice. A fundamental injustice took place at the Don Jail that has not been rectified; and as far as I am concerned, there will be no peace until it has been rectified.

It began when an employee of that institution—perhaps it began a little earlier than that. Some time last summer, I think in July, the government arbitrarily removed from the employees of that institution the grievance procedure which they had gained for themselves after very long and arduous efforts, and which was the only concession they ever had managed to get. This was arbitrarily taken away from them, so they were left again completely defenceless as they had been before. Then, back two or three months ago, an employee of that institution committed what apparently was the unforgivable crime of dyeing his hair.

This became a matter of great moment in the institution; it reached beyond the particular employee concerned and by a curious coincidence, Mr. Speaker, in no time at all the president of the employees' association in that institution, which is a branch of the Civil Service Association of Ontario, found himself involved in this matter.

As far as I have been able to determine, the sum total of his action was to carry out what I think would be quite properly regarded as the duty of a president of an employees' association—to relay from the employee who was under the gun to the association information that this employee was under the gun. For this heinous offence, the president of the association, Mr. James Keatings, was suspended and subsequently was dismissed.

An hon. member: Good.

Mr. V. M. Singer (York Centre): That is a typical Tory remark.

Mr. Bryden: This, I would call to the attention of the House, is a very ancient device. If you want to smash a union or an association, fire the person who is the leading figure in the association. Mr. James Keatings, as everyone knows, was for a long time the spearhead of the association in the Don

Jail; he was the man who provided leadership to the other employees, and an opportunity was seized to get rid of him. This is a very old union-busting device.

We hear many suggestions from the government benches at this moment that what I am saying is "bosh". Is that one of the words I heard? I do not know, but words to that effect. So I would like to put it on a broader basis than merely my "say so".

I have here an article which appeared in the Toronto *Telegram* for January 9, 1962, written by Mr. Frank Tumpene. Now, my observation is that Mr. Tumpene is a man who, temperamentally, I think, is inclined in the main to support the Conservative position. He is, I think, a man of independent judgment; but I think his temperament tends in the Conservative direction. That is his business and he is quite entitled to his views, in my opinion. But I think that should be borne in mind as we hear just what Mr. Tumpene had to say about this disgraceful episode at the Don Jail. The heading of his article is: "What Goes On Here?" and I am going to read the whole article, because I think it sums up the situation very well:

This business of the jail guard who dyed his hair has ceased to be a joke.

The affair began with a light-hearted discussion of whether a man with grey hair has the same right as a woman to dye his hair. It has now gone far beyond that.

As a consequence of the situation, two other guards at the jail have been fired, the guard with the dyed hair has been suspended for 10 days, and the public is confused about the whole issue.

As far as the public is concerned, one man has been suspended over a triviality and two others have been deprived of their livelihoods for speaking on his behalf. I can hardly believe that is the whole story; but if it is not, then what is? The Department of Reform Institutions owes the public a full explanation of this matter, an explanation that will be frank and not evasive.

And if I may interject here, Mr. Speaker, we have had no such explanation as yet.

One of the guards who was dismissed has two children, the other has three. To fire men with children depending on them is a serious matter at any time. In the present instance, it seems outrageous.

Any reasonable person recognizes that an institution like the Toronto jail can only be operated with strict discipline and rules that must be obeyed. Nor is it necessary

to discuss every internal personnel problem in public.

Nevertheless, the case of the guard with dyed hair received publicity through the entire country. The jail authorities may no longer plead that it is a private matter that should be handled quietly. It has become a public matter.

The public is suspicious. What is going on at the Toronto jail? Are men fired to satisfy the stuffed-shirt dignity of their superiors?

One guard is said to have been fired for telling the press about his colleague who was threatened with dismissal for dyeing his hair. The other guard lost his job for failing to answer questions at the inquiry into the matter.

What were the nature of the questions he refused to answer? This man was president of a branch of a civil service association, and the strong implication is that he was fired for union activity.

I repeat that I am quoting Mr. Tumpane, these are not my words. He goes on to say:

If he was not—

that is, if the man was not fired for union activity:

—then I, as one citizen, would like to be assured that he was not, and would like the assurance supported by facts.

The three guards involved in this matter have forfeited any right to privacy. They were the ones who brought the matter themselves before the tribunal of public opinion. If their superiors have any further evidence against them, evidence that will convince the public of the justice of their dismissals, the authorities should reveal what it is.

All that has emerged so far bears a strong resemblance to pure malice, as if the authorities in The Department of Reform Institutions had declared: "Make us look ridiculous by telling that story to the press, will you? Well, we'll show you. We'll fire you."

Finally—and this issue has almost been lost sight of—is it against the rules of The Department of Reform Institutions for a male employee to dye his grey hair black? If it is, why is it?

And, as far as I'm concerned, it will not suffice in reply to say that it's because the jail governor doesn't like men who dye their hair black.

The man who should be answering these questions is not the jail governor, nor the Deputy Minister of Reform Institutions,

both of whom are employees themselves. The man who should be answering the questions is the Hon. Irwin Haskett, the Minister of Reform Institutions, who has had practically nothing to say so far.

I think we can update this and bring it to the present date; he still has had practically nothing to say—in fact I do not remember him saying anything.

And then the final sentence in Tumpane's article:

It is time for him to start talking.

Hon. Mr. Macaulay (Minister of Energy Resources): Does the hon. member know where this should have been raised? In the estimates of The Department of Reform Institutions.

Mr. Bryden: Well, the estimates have not come up yet but maybe we will raise it there too if the hon. Minister wishes.

And now, Mr. Speaker, I would like to read into the record a written statement of Mr. James Keatings, who is one of the men who was fired, the man who was the president of the local branch of the civil service association. This statement reads as follows:

I, James Keatings, age 29 years, of 61 Langley Avenue, Toronto, a guard employed at the Metro Toronto Jail will state:

On Thursday, 14th December 1961, I reported for duty at the jail for the eleven p.m. to seven a.m. shift at approximately 10 p.m. On entering the guardroom I overheard a discussion between a number of guards and I gathered that they were discussing the position of a guard, Mr. T. B. Keatinge.

One of the difficulties in this matter, Mr. Speaker, is the confusion of names. The man who dyed his hair was Mr. Keatinge; the man who was president of the branch of the association is Mr. Keatings. Mr. Keatings' statement says:

I gathered that they were discussing the position of a guard, Mr. T. B. Keatinge, who had apparently been before the governor because he had dyed his hair.

At 10.45 p.m. I was making my way to my corridor when I passed Mr. Keatinge, who stopped me and handed me a letter and requested that I pass it along to the proper authorities at the Civil Service Association of Ontario.

At 8.30 a.m., Friday, December 15, I delivered the letter to Mr. Harold Bowen, Executive Secretary of the CSAO. During the weekend 16-17 December, I received

a number of calls from Mr. Keatinge, requesting advice, and in each case I referred him to the CSAO head office.

On Thursday, December 19, 1961, I reported for duty at the jail at 10.40 p.m. I was then informed by Mr. A. Grey, Chief Turnkey, that Mr. Frost, Assistant Deputy Governor, wanted to see me in his office. I reported to the office and on entering I saw Mr. Frost seated at the desk, and Mr. Garrett, another Chief Turnkey, was standing nearby.

Mr. Frost then said: "You are ordered to appear before the chief inspector at 3 p.m. tomorrow, Wednesday, December 20." I asked him to repeat the statement and he did so and I said: "Mr. Frost, I regret I cannot make it at that time, I have a pre-set appointment which I cannot alter." Mr. Frost then replied: "I am only the message boy around here." I then said: "You are aware that I am on night shift; I have been given insufficient time to make myself available; am I not supposed to sleep?" He then replied: "Well that's that, I have given you the message." I then left the room and commenced my regular duties.

At 2.45 p.m., Wednesday, December 20, I presented myself at the jail. Two guards were outside the office occupied by the inspectors, Mr. Moore and Mr. H. Clarke. Mr. V. Hughes, who was acting as escorting officer, told me that I would be going in after the others. The two waiting guards were clear at approximately 3.15 p.m., and at 3.40 p.m., Mr. Jacobs, inspector, beckoned me into the room. I entered and saw Mr. Wright, Chief Inspector, seated at the Governor's desk. I noticed a recording machine before him together with a number of press-clippings.

He reminded me of the powers of an inspector regarding inquiries, and he then asked me if I would be willing to take the oath. I agreed, and he then switched on the recorder and after administering the oath, and identifying myself, he asked me if I was in fact the president of Branch 91 of the Civil Service Association of Ontario. I said that I was. He then drew my attention to the press-clippings which contained three photographs of guard Simonson. I had previously seen these photographs in the *Telegram*.

He then asked me if I had been approached in any way with regard to Mr. T. B. Keatinge, and I replied: "Sir, my involvement with regards this incident is as follows. Mr. Keatinge approached me and handed me a statement relating to his

incident, and asked me to pass it along to the proper authorities at the civil service association, which I did. That is the sum total of my involvement in this affair." Mr. Wright replied: "Mr. Keatinge made a phone call to you prior to appearing before me, and you told him not to answer any questions. Is this correct?" I replied: "That is not correct, and may I add that I have made my statement under oath, with regards my implication and involvement in this matter, and I cannot add anything to it."

He then asked me if I could give any information regarding the publicity given to this incident, and I replied: "Sir, I respectfully decline, and I repeat I have made my statement." The chief inspector then said: "Mr. Keatings, are you aware that as chief inspector I have the power to carry out such an inquiry under The Jails Inspection Act, I would like to remind you of the seriousness of the situation, and grant you five minutes to reconsider." I replied: "Thank you for your consideration, I have no desire to reconsider, and again state that I have made my statement, and have nothing further to add. I respectfully decline and again I repeat I have made my statement."

The chief inspector then said, "Mr. Keatings, are you aware that as chief inspector I have the power to carry out such an inquiry under The Jails Inspection Act. I would like to remind you of the seriousness of the situation, and again grant you five minutes to reconsider." I replied: "Thank you for your consideration, I have no desire to reconsider, and again state that I have made my statement and have nothing further to add. I respectfully decline to make any further comment."

Mr. Wright then read for approximately one minute from The Jails Inspection Act. When he had finished I said: "Thank you, sir, but on the advice of the association I have nothing further to add." He then again offered me five minutes to reconsider, and I again thanked him, and declined. He then drew my attention to the seriousness of the situation, and stated that he had no alternative but to suspend me. I replied: "That is your decision, sir, I have given my statement under oath, with regards all I know in this matter." He then said: "I am sorry Mr. Keatings, you are suspended until this inquiry is completed." I thanked him and left the jail.

I have read the above statement before signing and have found it correct.

Mr. J. R. Simonett (Frontenac-Addington): Where did the hon. member get that?

Mr. Bryden: I got it from Mr. Keatings.

Mr. Simonett: Under oath?

Mr. Bryden: No, it is not under oath, but perhaps he should be asked, along with some others, to make a statement under oath.

Mr. Simonett: He must have a good memory.

Mr. Bryden: Well, in reference to the crack that he had a good memory, apparently implying that he was fabricating some of the story, I think from knowing him reasonably well that he is the careful and intelligent type of man who would make very extensive notes of an interview of this kind.

Mr. Simonett: We will accept your word.

Hon. A. Grossman (Minister without Portfolio): Does the hon. member know him? Probably that is where all the trouble came from.

Mr. Bryden: I am acquainted with him.

An hon. member: That does not help him any.

Mr. Bryden: I am proud to say that I have tried to bring the situation at the Don Jail to the attention of the public and the authorities on many occasions in the past, and naturally in that work I have become acquainted with Mr. Keatings.

Now, here is a further statement from Mr. Keatings, which I think at least in part is relevant to the matter under discussion, and I would therefore like to read some of it.

On Friday, January 5, 1962, at 10 p.m., Mr. Dougall phoned me at home and asked me to come in and see him the next morning, Saturday, January 6, 1962, at 10:30 a.m.

The hon. members will realize that at this time Mr. Keatings was under suspension and therefore was not regularly reporting for duty.

By telephone to T. B. Keatinge and Mr. T. Simonson, I discovered that they, too, were to report at 10.00 a.m. and 11.00 respectively; we agreed to go together. The following morning, Saturday, January 6, we entered the jail at 10.00 a.m. At 10.15 a.m., Mr. T. B. Keatinge went into the governor's office; he came out at 10.18 a.m.

I passed him and went in. As I entered, Mr. Dougall was standing talking to Mr. Woodside, assistant governor. The governor looked at me and after passing the time of morning he said he was not going to answer any questions I may have or discuss anything with me, but that he was only going to read a letter to me from the Minister of Reforms, Mr. Haskett. He did so and its context stated that I was dismissed for flagrant contravention of The Jails Inspection Act, and my dismissal was retroactive to the date of my suspension, December 20, 1961.

I asked Mr. Dougall if I could have the letter, he said no. I then asked for a copy, and this was denied. I then asked if I at least had the right to read it. This was allowed, and I noted the signature was A. Graham, Deputy Minister. I left the office and Mr. Simonson went in, and came out in approximately three minutes.

There is a little more but it is not of any particular consequence. I think the substance of the matter is now before the House.

Now, Mr. Speaker, I am well aware that in a jail it is necessary in certain situations to adopt rather arbitrary procedures in the interests of security. Emergencies arise from time to time where security becomes the paramount interest and other matters take second place. But there was no issue of security involved here. The procedures that are provided to deal with security problems were abused, in this instance, to deprive employees of their democratic right to a fair hearing. The tribunal before which Mr. Keatings appeared was nothing but a "Kangaroo Court," acting under legal provisions that were not designed to deal with such a situation under any circumstances.

It was an extraordinary procedure that should only have been adopted in an extraordinary situation. This certainly was not an extraordinary situation, except perhaps with respect to the extraordinary stupidity of the department; but as far as any matter at issue was concerned, surely this man, and all three of these men, were entitled to a fair and reasonable hearing. They were entitled to be represented by someone from their association, or any other spokesmen whom they wished to name.

In fact, it appears ridiculous that they should ever have been hauled up on the carpet at all; but if they were, surely they were entitled to ordinary protection. Surely they were entitled to bring in anything they wanted, to make any statements they wanted

and to refrain from making statements if they wanted; and surely they were entitled to protection from being badgered by a superior officer with disciplinary authority, to make statements that they, in good conscience, could not make.

Mr. Keatings says that he told the gentleman time after time that he had told him everything that he knew about the matter. Now why should it not have been left at that? Why should he be pushed, intimidated into stating something more, into making statements of which he had no knowledge, presumably. This sort of thing, Mr. Speaker, should not be tolerated; and the fact that the jurisdiction is now to be transferred to Metro council does not wash out this terrible injustice. I believe that action should be taken to remedy it. I think these men should be reinstated—all of them, with full pay back to the date of their original suspension, unless—as Mr. Tumpane has suggested, the department, and in particular the hon. Minister, can bring out information that has not been brought to light as yet.

A long time has passed since these men were suspended, and since two of them were dismissed. As a matter of fact, at the time of the dismissal I wrote a letter on the subject to the hon. Prime Minister of the province. I may say my letter got the same consideration as all correspondence that I send to hon. Ministers of the Crown, it was not even acknowledged. But I sent it to him, nevertheless, and I would like to read it to the House now. It is to a slight degree dated, but substantially, I think, contains a valid point:

The purpose of this letter is to propose to you—

Mr. A. H. Cowling (High Park): What is the date?

Mr. Bryden: The date is January 8, 1962, just a couple of days after these men were notified of the disciplinary action against them, at the time the information about it appeared in the press.

The purpose of this letter is to propose to you formally that a Justice of the Supreme Court of Ontario be appointed to conduct a public inquiry into the question of labour relations at the Metropolitan Toronto Don Jail. It is public knowledge that there has been serious discontent among the employees of this institution for a long time, over such matters as rates of pay, grievance procedures, etc. The matter is now brought to a head by the dismissal of guards James Keatings and

A. V. Simonson, and the suspension of Keatinge without right of appeal, for what appeared to be completely trivial reasons.

The case of James Keatings is particularly alarming since he is the president of the employees' association at the jail, and it is difficult to escape the conclusion that his dismissal is part of an attempt to smash the association by intimidation. I submit to you that public confidence and harmonious employer-employee relations can be restored only by a full public inquiry, and by the remedial action which is found by such an inquiry to be necessary.

And I would repeat this proposal now, Mr. Speaker. I think the situation has reached the point where it is not sufficient merely to provide these people with an appeal. As a matter of fact, under intense public pressure, the government did offer them a form of appeal, and on the advice of their association they rejected the specific offer made, because the association wanted to fight this matter on a question of principle. It took the position that these people should have restored to them the same grievance procedure that all other employees of the government have, and that the appeal should be taken under the regular grievance procedure.

It is not my business to comment on the wisdom or otherwise of that particular decision of the association, but certainly it is a decision with considerable merit, and it is one which can be supported by sound arguments. But we have got past the point of a mere appeal, Mr. Speaker. This matter is such a grave injustice and is indicative of such a disgraceful situation existing in a public institution in this province, that we need far more than an appeal on the specific case of the employees of this institution. We need a full inquiry into what is going on in the institution, because if anything of the sort described in Mr. Keatings' statement can happen, a real clean-up is needed in that institution.

His statement is not made under oath; it is merely his statement; and it is possible that there is more to the story than he said. I do not know, but the onus is on the government to bring out whatever additional information, if there is any, that is relevant to this matter. I would say now, in view of the way the department, the hon. Minister and the government have acted, the way they have tried to conceal facts on the matter, no one can have any confidence in any inquiry that they themselves undertake. Only an inquiry undertaken by an impartial person of unquestioned standing in the

community can ever resolve this matter, and satisfy the public that the situation, if there is a situation, and there appears to be, has been properly cleaned up.

Hon. Mr. Haskett: Mr. Speaker, would the speaker allow a question? Is the speaker aware that the Minister saw that each of the men concerned was personally served with information that he had the right of appeal to the Minister; and if any one of them sought to avail himself of that right, that the Minister promised him an impartial tribunal outside the department, outside the government, an impartial tribunal to hear his case; that if anyone felt that he had been unfairly or unjustly treated, he had the right to appeal, and that not one of them took advantage of that impartial tribunal—

Mr. Bryden: I have already made reference to that fact. I stated that under intense public pressure, the government did offer a form of appeal, and I stated the reasons that the Civil Service Association had for turning that appeal down. I am not commenting on their reasons, one way or the other, but I certainly think they have a basic validity. I am suggesting that this has now gone far beyond the particular matter of the appeal of the employees, and that the whole situation needs to be inquired into. If the government has nothing to hide, and if, as Mr. Tumpane said, there is further information and further explanation, then they should have no fear of a full and impartial public inquiry. They should welcome it indeed.

I have heard, and I regret to say that I heard, very malicious rumours about one of these men. The form in which I heard them was—that it would be better just to leave this all alone because some of this dirt, which was rumoured about this particular man, might come out in public. I do not know where those rumours started, Mr. Speaker, but it is certainly a totally insufficient reason for refusing a full inquiry.

As Mr. Tumpane pointed out, the men themselves have sacrificed any claim for privacy; they have brought the matter out into the open. I presume they are 21 years of age and they knew what they were doing; they want it out in the open. I think it should come out in the open in a full public inquiry, not in a kangaroo court or back-door proceeding. Let us get to the bottom of this matter.

I do not see how the public can possibly be satisfied with the situation as it now

stands; and I would point out, Mr. Speaker, that I have not seen any public comment anywhere that supports the government in its position. Newspapers, such as the *Toronto Globe and Mail*, which tends to be sympathetic to the government, have condemned the government absolutely; so have the *Toronto Telegram* and the *Toronto Daily Star*. Public opinion is 100 per cent against the government, and to clear the situation up the only answer now is a full public inquiry.

An hon. member: Responsibility of the hon. Minister.

Mr. J. H. White (London South): Mr. Speaker, I move adjournment of the debate.

Motion agreed to.

House in committee of supply; Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF AGRICULTURE (continued)

On vote 111:

Hon. C. S. MacNaughton (Minister without Portfolio): Mr. Chairman, on vote 111, the marketing development branch, I propose to make some observations tonight and amplify to some extent the remarks I made in the House a year ago concerning the agricultural export markets study group which toured the United Kingdom and certain European countries in the fall of 1960.

A year ago, when I discussed this matter, it was to relate the positive manner in which increased export trade could and would provide jobs for our people; and it is heartening to note that the efforts of the federal Minister of Trade and Commerce, associated with the assistance that has been provided at provincial levels and particularly by our own Ontario departments, has had the desired result. For the first time in nine years a favourable balance of trade amounting to \$84 million has been accomplished.

Going hand in hand with this accomplishment our jobless figures are more favourable than they have been for quite some time, and I say this in complete contradiction of all the speeches and assertions that have been made in this House today. This is proof positive to me, Mr. Chairman, that a definite link between export trade and employment does exist.

In the course of my comments a year ago the hon. member for Bruce (Mr. Whicher)

made an observation to be found on page 382 of *Hansard*. He said:

Why did not a committee go ten years ago? Have they just found out about it?

A few weeks later the then Minister of Agriculture also made reference to the marketing development branch and the tour of the export marketing committee, and he summed up the situation nicely when he said:

The terms of reference provide for encouraging and fostering any activity which will develop additional outlets for farm production.

However, Mr. Chairman, the Opposition commented in their usual pessimistic fashion and, on page 1109 of *Hansard*, we find the hon. member for Grey South (Mr. Oliver) stating:

This government has done nothing in 17 years to broaden the base of operations—
(Applause)

Hon. Mr. MacNaughton: Applaud, go ahead. The hon. members should applaud now because they will not a few minutes from now:

—to broaden the base of operations from which they could work to sell our products in the markets of the world, until a few months ago.

Mr. F. R. Oliver (Grey South): What did they sell?

Interjections by hon. members.

Hon. Mr. MacNaughton: Well, that is a facetious remark. Just listen.

I would point out to the House that 17 years ago, the hon. member knows because he has been around for a long time, the United Kingdom was at war. During the war years, of course, imports of all commodities to the United Kingdom were handled on a strictly controlled basis and Canada, at that time, was called upon to assist the war effort with the provision of foodstuffs of all description. Little or nothing beyond what was related to the war effort was required to ensure that a market was provided, for much, if not all, of the food commodities this country could produce. And my hon. friend from Grey South knows that.

Mr. Oliver: Oh, I know that. There is no argument there.

Mr. V. M. Singer (York Centre): We are with the hon. Minister up to 1945. What happened after that?

Hon. Mr. MacNaughton: The hon. member for Bruce, as I have mentioned, asked why a committee did not go abroad ten years ago. The reason, of course, has been stated many, many times before this House, that ten years ago, as during the war, imports to the United Kingdom and many areas of Europe were strictly controlled. They were controlled to the extent that the export of currency was restrictive; allocation of dollars was only made for the importation of certain strategic materials, and many items of foodstuffs could not enter the United Kingdom because allocation of funds could not be obtained for this purpose.

Mr. R. M. Whicher (Bruce): Name one food that could not go into the United Kingdom. Just one.

Hon. Mr. MacNaughton: Everything was controlled in those days, everything was related to the allocation of hard currency funds for that purpose; and the hon. member, if he does not know that, has been asleep at the switch.

Mr. Whicher: I happen to have been there during that time.

Hon. Mr. MacNaughton: As has been revealed—

Mr. Whicher: I was one of those bombardiers.

Hon. Mr. MacNaughton: As has been revealed, I repeat, said action was taken by this government to develop trade, in the manner which has been described, as soon as these restrictions were removed. The tour of the committee, the agricultural export inquiry committee, then was the direct result of the removal of these trade restrictions, at which time the marketing development branch immediately recommended to the government that an export marketing study be undertaken. The government approved the recommendations and the industry group was sent overseas. The inquiry, Mr. Chairman, was very broad and included over 500 interviews with importers, agents, wholesalers and manufacturers using Ontario agricultural products. Buyers for independent and multiple stores, government agencies, trade representatives—all were contacted and without exception, Mr. Chairman, they indicated their appreciation of the interest shown by Ontario in re-establishing itself on that market.

Mr. Whicher: How many products did you sell?

Hon. Mr. MacNaughton: Mr. Chairman, may I clarify that particular point. Nobody in this committee went over there actually to sell.

Interjections by hon. members.

Hon. Mr. MacNaughton: Mr. Chairman, if they will keep quiet for a moment, may I just say that it is not the prerogative of representatives of government to go over with order books and pencils in their hands.

Concurrent with the tour of the committee in 1960 was identification with the United Kingdom Food Fair. The response to this identification was so enthusiastic that it was continued in 1961 and again it was expanded to include the Ideal Home Show, the largest of its kind in the United Kingdom and probably the largest in the world. Last year, over 1,200,000 people attended this show and it is expected that attendance will increase substantially at this trade fair this year.

Further proof of the enthusiasm engendered by the marketing development branch and the tour of the committee is the fact that a full range of over a thousand cases of Ontario canned fruits and vegetables will be sampled and sold to the public by the Tender Fruit Institute staff of professionally trained demonstrators and nutritionists. This effort is being sponsored and largely underwritten by Ontario industry; by such firms as the Boese Foods Limited of St. Catharines; Canadian Cannery Limited at Hamilton; W. Clark Limited of Harrow; Libby, McNeil and Libby Company of Chatham; Niagara Food Products Limited of Stoney Creek; Smart Brothers Limited of Collingwood; E. D. Smith and Sons Limited of Winona; and Stokeley-Van Camp of Canada Limited, Essex. It is expected that identification on the part of those I have just named will result in increased demand for our canned fruits and vegetables.

I might say, Mr. Chairman, that the United Kingdom is largely dependent on the importation of canned fruits and vegetables, and that agents, brokers, wholesalers, grocers and supermarket operators have indicated many times that Canadian goods are extremely well regarded because of their high quality standards. Actual figures cannot be given at this time because they are compiled on a national basis, and published a year later.

There is no question, from the experience of the fruit and vegetable canning companies of this province, that they have re-established themselves in a substantial way on the British

market, particularly, Mr. Chairman, for canned peaches, pears, cherries, cherry pie-filling material, and several tomato products. While the greatest progress has been made with canned fruits and vegetables, definite achievement has resulted in other fields.

During the past year, 35 tons of fresh peaches were shipped to London, England, to test the market for this product. Again last fall and this winter some 150,000 bags of onions and 100,000 bags of carrots for fresh consumption and for processing were shipped to the United Kingdom market; but more significantly, Mr. Chairman, these were all firsts for shipping such quantities of perishable products that distance. They received an excellent reception at good prices.

This is all new business. I repeat, Mr. Chairman, this is all new business which the department hopes will open the door for future expansion as the years progress; and that, in part, is my answer to: "What did we sell?"

Interest, however, is not confined to the products I have just mentioned. Previous to 1940, Ontario traditionally had a good market for apples in Great Britain. Today I am happy to report that Ontario apples moved in greater volume in 1961 to the United Kingdom and at better prices than ever before; and that again, Mr. Chairman, in part, is my answer to: "What did we sell?"

It is interesting to note that the quality of our red Delicious and MacIntosh apples—and I say this to the hon. member for Oxford (Mr. Innes)—from Oxford county, arriving on the United Kingdom markets, has been outstanding.

Mr. G. W. Innes (Oxford): I would like to ask the hon. Minister without Portfolio (Mr. MacNaughton) if the manager from the Oxford Fruit Co-operative did not personally go to England this year to instigate a large percentage of that order himself?

Hon. Mr. MacNaughton: I will answer the hon. member for Oxford. He said: did the man in charge of this from Oxford go this year? He probably did not hear me correctly, but I said today I am happy to report that the Ontario apples moved in greater volume in 1961. This, Mr. Chairman, is 1962. I relate this entirely to the efforts of those men who represented the Tender Fruit Institute and who accompanied this trade mission in 1960.

Mr. Innes: I would inform the hon. Minister without Portfolio that the orders the

Oxford Co-operative got were made personally by the manager of the co-operative.

Interjections by hon. members.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, on a point of order, the honour of this House—Mr. Chairman, the hon. member for Oxford (Mr. Innes) has asked the hon. Minister without Portfolio (Mr. MacNaughton) to be truthful and he has suggested that the president of the organization to which he made reference personally visited and arranged—

Interjections by hon. members.

Mr. Wintermeyer: Mr. Chairman, this committee had nothing to do with it. We are just unnecessarily taking the time of the House.

Hon. Mr. MacNaughton: Mr. Chairman, may I simply say they were making so much noise, I did not properly hear the hon. member's question. There is a little difference between a question and a speech, but at least, Mr. Chairman, it provided the hon. leader of the Opposition (Mr. Wintermeyer) an opportunity to make a brief speech.

Now then, in answer to the question, if it was a question: I say I do not know whether anybody from Oxford went over there, but I do know that a well-constituted committee appointed by the hon. Minister of Agriculture in 1960 went over there and did a very excellent job.

Furthermore, Mr. Chairman, I would say that these apples have been well received by the British trade and have been realizing top prices compared to apples from all over Europe. Reception has been particularly good from Scotland and north of England buyers, and if the hon. member for Oxford does not want us to help him sell his apples let him say so.

Mr. R. C. Edwards (Wentworth): The hon. Minister stated he did not go over to sell any apples.

Hon. Mr. MacNaughton: We went over to sell everything. Let me rephrase that, Mr. Chairman; we went over there to find out ways and means of helping our people sell everything.

An hon. member: Was the hon. Minister paid out of the hospitality fund?

Hon. Mr. MacNaughton: Mr. Chairman, may I say this? The greatest interest in Ontario agricultural exports centres around

our Ontario cheese, which has long held an enviable reputation in the British market.

An hon. member: It did not say that in the public accounts.

Hon. Mr. MacNaughton: Ontario cheddar cheese very obviously has been able to establish itself as a specialty product in view of the substantial premium that it has been able to command over all other cheese on the United Kingdom market. This is because of its peculiar flavour, as the only raw milk cheese now produced anywhere, and because of its excellent quality.

Mr. Chairman, may I make an observation? Why do these people scoff? Why do they laugh? Do they not want us to do business for this province or develop this province? **Mr. Chairman—**

Interjections by hon. members.

Mr. P. Manley (Stormont): Mr. Chairman, on a point of privilege. I would want to remind the hon.—

Hon. R. W. Macaulay (Minister of Energy Resources): What point of privilege is the hon. member—

Mr. Manley: Just a minute and I will let the hon. Minister know, if he will just give me the time. Just give me time.

The hon. Minister from Huron (Mr. MacNaughton), Mr. Chairman, did say that our cheese had a peculiar flavour. I take objection to that. It has one of the best flavours of any cheese that is made anywhere in the world. I do not like to hear him say it has a peculiar flavour. It has a flavour that appeals to the people of England and it is not a peculiar flavour at all.

Hon. Mr. MacNaughton: Mr. Chairman, if I can have the attention of these hon. members over here, particularly the hon. member for Stormont, if he will bear with me I am going to describe a certain flavour relating itself to cheese that he may not be quite so happy to hear about.

Ontario cheddar cheese very obviously has been able to establish itself as a specialty product in view of the substantial premium that it has been able to command over all other cheese in the United Kingdom and on the United Kingdom market. This is why we are so quality-conscious of this product and why we took the determined step that we did in 1960 to maintain that reputation.

The major change in cheese export trading today compared to pre-World-War II days

is that today over 95 per cent of cheese exported is actually handled by the Ontario Cheese Producers Marketing Board at Belleville. In 1958 this organization exported 15,489,000 pounds. In 1959 some 19,846,000 pounds. In 1960, 18,522,000 pounds, and in 1961 some 18,301,000 pounds, chiefly to the United Kingdom.

I might say, Mr. Chairman, and I think this is significant, that if Ontario could have produced and provided more cheese the United Kingdom market would have absorbed at least another 10 million pounds of our fine cheddar last year.

During the course of the visit of the inquiry committee, it was learned that the United Kingdom cheese trade is very well satisfied with the businesslike operations of the Ontario Cheese Producers Marketing Board.

Mr. Manley: I am a part of it.

Hon. Mr. MacNaughton: Well, the hon. member did not give much evidence of that last night. Last night in this House we heard some criticism, Mr. Chairman, of the action of the Ontario government in protecting the reputation of our Ontario cheese. I think the House is entitled to the facts in this connection.

Interjections by hon. members.

Hon. Mr. MacNaughton: Yes, I am. I propose to give the hon. leader of the Opposition the facts on that story right now.

In the spring of 1960, the Ontario cheese producers' association and the dairy branch received criticism from the United Kingdom that cheese made in a particular factory was not entirely satisfactory to that market and had deteriorated greatly in flavour. As a result the dairy division of the Kemptville Agricultural School was instructed to investigate the possible source of defect. Investigation was made and samples of the cheese in question were returned to Canada. This matter was drawn to the attention of the owner of this particular cheese factory.

As further complaints were received the investigation was stepped up and Mr. J. M. Bain, the director of the products division of the dairy branch, an internationally recognized cheese expert and a former outstanding cheese maker, was sent to the United Kingdom to make a thorough investigation of these criticisms as to the quality of Ontario cheddar cheese. Mr. Bain consulted with all the importers of all Ontario cheese and particularly those few who complained as to the quality of certain lots. The particular

criticism of the cheese was it had a distinctly "off" flavour. On his return Mr. Bain made a detailed report of his findings and recommendations and I quote directly from Mr. Bain's report dated December 9, 1960.

Flavour was the major weakness of Canadian cheese, particularly the October cheese. Only minor complaints were registered about the summer-made cheese.—and the hon. member for Stormont will know that summer-made cheese is largely regarded as better than fall and winter-made cheese—

Then I would suggest they were normal complaints and probably experienced each year, because all the importers agreed that they anticipated a small percentage of pick-outs from raw milk cheese and they buy at a price allowing for a small loss.

—I am still quoting from the report of Mr. J. M. Bain—

October cheese carried a miscellaneous lot of flavours but the true catty odour—
—and this is still the language of the man who made the investigation—

—the true catty odour—

Mr. Wintermeyer: What is that?

Hon. Mr. MacNaughton: Catty. I could enlarge on that but it probably would not be parliamentary to do it.

Mr. Manley: It means it was not good—peculiar.

Hon. Mr. MacNaughton:

—was confined to two registration numbers, 652 and 844, and were probably all made in the one plant but not necessarily, in fairness, as there was quite a range of back numbers from No. 844 carrying a very objectionable flavour.

—I am still quoting, Mr. Chairman:

It was indeed unfortunate that this cheese was so widely distributed through quite a number of importers. The odour is very foul smelling and does resemble a cat smell, as stated by some buyers. It created havoc, as some of this cheese would go out in a mixed shipment to a store, where it would be cut up and placed on the counter, for sale, by some employees not familiar with cheese. Customers would purchase a piece of cheese and immediately return it to the store. The retailer would then return the whole lot as "catty" to the firm that sold it to them.

Mr. Bain concludes his report as follows:

The Englishman is willing to pay a premium price for premium cheese and is not prone to complain about small amounts of spoilage. The situation in England is in jeopardy and cannot be minimized. My findings [quoting Mr. Bain] re the 1959 make, have been substantiated by the recent close examination of the 1960 make, results of which revealed almost 100 per cent depreciation in quality of the factories concerned.

As a result of the situation revealed in Mr. Bain's report, the dairy branch, in co-operation with the federal dairy authorities, made sure that no cheese from the two factories in question was permitted to be exported. The co-operation of the two factories in Stormont County left much to be desired.

Interjections by hon. members.

Hon. Mr. MacNaughton: And I am still quoting from the report of Mr. J. M. Bain—

As a matter of interest one of the factories closed in 1960, and the other burned to the ground in October, 1960, and both have been replaced by a modern new plant under new ownership, which today, I am happy to say, has been giving full co-operation. They have an excellent record of quality of cheese on a re-graded basis.

Now to conclude, Mr. Chairman, I would ask these things from the hon. member for Stormont. Can there be anything but advantage to the continued development of our Ontario cheese industry in terms of the methods that have been employed? Can he honestly say that the money which was spent to remove this quantity of cheese—which was prejudicing one of our most important agricultural markets—was not warranted?

Does he not believe that this relatively small expenditure to maintain the good name of one of our principal agricultural export commodities was as good a promotional feature as the expenditure of sums of money in various forms of advertising? Surely the remarks made by him yesterday will not find favour with the many thousands of people engaged in the cheese industry of Ontario, who, I am confident, appreciated the assistance provided by this Department of Agriculture, which he so strongly criticized.

Mr. Manley: Mr. Chairman, I want to first thank the hon. Minister from Huron

for bringing to the attention of the House the problems that he has this evening, and for giving me an opportunity, through you, Mr. Chairman, to answer some of the charges he has made this evening and something I do not think is going to help the industry as far as the cheese manufacturers in this province of Ontario are concerned.

The hon. Minister referred, Mr. Chairman, to two factories. The one number I got—the registration number 844. I did not get the other registration number.

Hon. Mr. MacNaughton: I will give it to him.

Mr. Manley: Will he give it to me?

Hon. Mr. MacNaughton: Yes; 652.

Mr. Manley: That is fine; 652. I want to say, Mr. Chairman, that I brought up this question last evening, I saw it in the public accounts where Lovell and Christmas was paid \$11,500 by this government, to bail them out of a loss they were supposed to have had in connection with cheese that was sent overseas.

Hon. Mr. MacNaughton: On a point of order, Mr. Chairman—this money was not advanced to Lovell and Christmas to bail them out of a loss.

Mr. Manley: Mr. Chairman, I asked the question last night from my own seat here, "Why the amount to Lovell and Christmas?" The hon. Minister replied that these were losses sustained by this company outside of the province of Ontario, in Quebec. That has been in operation for far longer than the hon. Minister from Huron or myself has been in existence in the province of Ontario.

I want to say more than that, Mr. Chairman, that this same company, and others, before the cheese producers of the province of Ontario was formed, and before we had a marketing board, were one of the biggest companies that were making payments under the table to factories and buyers, in order to get rid of having the cheese placed on the board, where they would have to go and compete against the other buyers. Their method was losing many dollars to the cheese producers of this province. I think that I was justified in pointing out to the government, that a company operated under those conditions, and in operation as long as they had been, that this government of the province of Ontario was not justified in making a payment of that kind to them in order to

take care of a loss that they might have sustained.

Hon. Mr. MacNaughton: On a point of order—

Mr. Manley: Let me continue. He brought up the situation. Let me continue. He has named two factories in the county of Stormont; in other words, he has said that this \$11,500 was attributed to those two factories alone. I had some connection with getting a permit for one of those factories—to be rebuilt; and it is producing a quality today equal or better to any in the province of Ontario, and I am proud of it.

Hon. Mr. MacNaughton: I did not say that.

Mr. Manley: I can tell him if he did not say it. He said he was proud of the record of that factory.

Another thing I want to say is that that plant, when they came for a permit, were turned down—not for the reason that the record was not too good. But the main reason why they were turned down was because it was pointed out to the people who applied for the permit and to me, who interceded on their behalf after they were turned down, that those plants had only received—in the flow of the milk—15,000 pounds of milk. Surely my hon. friend cannot say to the House tonight that the loss of \$11,500 could come to a plant that only received 15,000 pounds of milk a day in the flow of the milk. My hon. friend had better go back—

Hon. Mr. MacNaughton: On a point of order—

Mr. Manley: And now let me finish with him.

Hon. Mr. MacNaughton: On a point of privilege, Mr. Chairman, I said no such thing.

Mr. Wintermeyer: Well, what did he say?

Mr. Manley: He left the implication, though.

Hon. Mr. MacNaughton: I said no such thing, nor did I imply any such thing. Nor did I imply that this particular loss was applicable to one plant.

Mr. Chairman, still on my point of privilege, I read into the record the statement of Mr. J. M. Bain—

Interjections by hon. members.

Hon. Mr. MacNaughton: Now, Mr. Chairman, I am going to speak about another point of privilege.

Mr. Manley: We have one point of privilege at a time. If the hon. Minister has a point of privilege, let him state his point of privilege.

Interjections by hon. members.

Mr. Manley: Mr. Chairman, the hon. Minister referred to two factories and two factories only, 844 and 652, which are owned by the same operator. I will go so far as to say that, even though he did come from the county of Stormont, he was not a good operator, and the responsibility fell with The Department of Agriculture here in not putting in the proper regulations and not having the instructors going in and enforcing the regulations in order to produce the qualities that should have been produced.

I see my hon. friend from Dundas (Mr. Connell) having a great joke out of this. Maybe I could tell him a thing or two, too, if I get into that mood. But I want to say this again. We have an inspection department but they have not been doing their duty, as I pointed out last night. Maybe we do not have enough inspectors. But then, cheese is graded, Mr. Chairman. The cheese is graded. It is regraded again—that is the regulation—before it is shipped overseas. The grading of cheese is done by the federal Department of Agriculture.

Far be it from me to say that the graders are not doing the job they should do. But that cheese passed the regulations of the province and of the Dominion, as far as grade was concerned, and it went overseas.

If it has passed the grading regulations here as far as our grading regulations go—and they have to be up to the standards in order to export to the United Kingdom—then I do not think that I, or you, or anybody else, can be responsible for the conditions under which it is put on the boat and shipped overseas.

I do not think that we have the responsibility, once it gets over there, of the companies that buy it or of the manner in which it is stored. We have no assurance whether it is going to be disposed of at the time it arrives there, or whether it is going to be disposed of six or eight months hence. We do not know that the conditions of the buyer, or the storekeeper or distributor, are

in order to display and keep that cheese in storage and prevent spoilage.

So, if there is any responsibility, it is not on the member for Stormont. I brought this to the attention of the House last night and I think I made it emphatically clear that I was very concerned about the quality and the future market of the cheese of this province.

I am a cheese producer myself. I am milking over 50 cows—I am interested—that is my livelihood. I say we have to maintain the quality of cheese in the province of Ontario and that we have to have this market in England, if we want to maintain the income for our farmers in the province of Ontario.

Mr. Chairman, unless we look after the quality of our milk and our cheese, we are not going to keep the market that we have at the present time. There are other markets that we hope to get into, and there are other things on which the hon. Minister without Portfolio can convince some of his friends in the front rows here and his friends in Ottawa. Maybe he could go down to Ottawa and convince them to try to get a little more of our good cheese going into the United States; we have only 500,000 pounds going there at the moment, but it is a good market.

Maybe they could explore the markets out west and get some of our good cheddar cheese out there. Do not try to pull a red herring across the trail and accuse the member for Stormont of defeating the purpose of the cheese industry of this province. There is no one more interested than I.

The hon. Minister without Portfolio has done a disservice to the cheese producers of this county because his is not a cheese industry area. He is just a spokesman for the Tory party on that side of the House. He thought he was going to get up in the House and tear me to pieces. But I can hold my own with him or anybody else on that side of the House.

As long as I am the member for Stormont, I will look after the interests of the farmers in that particular area and especially the people who are engaged in the cheese industry.

Hon. Mr. MacNaughton: Well, Mr. Chairman, it is a singularly peculiar thing to me to hear these observations from the hon. member for Stormont here tonight. I made no criticisms about the type of representation he makes for the people of Stormont. He singles out, Mr. Chairman, the firm of Lovell

and Christmas. I did not mention the name of the firm of Lovell and Christmas, but I suggest this to him that the sale of all cheese in the province of Ontario is largely under the jurisdiction of the Ontario Cheese Producers Marketing Association.

Interjections by hon. members.

Hon. Mr. MacNaughton: All right, Mr. Chairman, does the hon. member say that the Ontario Cheese Producers Marketing Association is not doing a good job?

Tens of thousands of cheese producers in this province, Mr. Chairman, say the Ontario Cheese Producers Marketing Association is doing an outstanding job, and I say so.

When the hon. member levels these criticisms, he is in effect criticizing the board of which he is a member.

Mr. Manley: Mr. Chairman, this is the most far-fetched and ridiculous statement that I have ever heard. I have not in any of the remarks I have made tonight made any reference at all to the Cheese Marketing Board or the Cheese Producers Association of which I am a member.

An hon. member: Yes, the hon. member did.

Mr. Manley: I never did. I mentioned Lovell and Christmas. I am not concerned about the back benchers over here. I have been here long enough for that. But I do want to co-operate with the hon. Minister, the hon. member for Huron.

The Cheese Producers' Association and the Cheese Producers' Marketing Board have done a remarkable job. I did not refer to them until just now, but I say they have been a remarkable board. I am a very modest man.

Hon. Mr. MacNaughton: Just by implication.

Mr. Manley: Not by implication or anything else. I have not a word against them. I am a very modest man; I am a member of them. They have done a remarkable job. If they were not in existence today we would not be getting the price that we are for cheese.

I mentioned before the methods in which Lovell and Christmas and some of these companies that I could name bought cheese before our association came into being. The cheese producers themselves and the marketing board, when they came into being, removed some of the difficulties we had with

those large buyers; and I have to say that the cheese producers and the marketing board have done a remarkable job, and we are looking forward to them doing a greater job still.

For the hon. Minister to say that I was casting reflections on the workings of the cheese producers and the marketing board, is going a long way and is accusing me of something that I had not even thought of or even suggested. I am a member of it, I pay dues into it, and I hold them in the highest regard.

I want to say to the hon. Minister that far be it from me to say that they have not, because they have been doing it. And if it was not for them, Lovell and Christmas and some of those other companies would be in the position of still giving payments under the table, and getting cheese in there at a much lower price than they are at the present time.

An hon. member: The hon. member does not sell to Lovell and Christmas.

Mr. Manley: Lovell and Christmas has come up, yes. Lovell and Christmas bought cheese through the Cheese Producers Marketing Board auction.

Hon. Mr. MacNaughton: That is exactly what I said.

Mr. Manley: No. The hon. Minister did not say that at all.

Hon. Mr. MacNaughton: That is exactly what I said.

Mr. Manley: I want to make it plain to the House because I do not want any difficulties here and misunderstandings. Lovell and Christmas, I presume, bought the cheese. If it was Ontario cheese they would buy at the auction conducted by the Cheese Producers Marketing Board. All the cheese has to go through that auction system. If my hon. friend goes to an auction sale in Ontario and buys a cow or anything else, once the sale is over the product is his. He has the cow or the horse or anything else, but the product is his.

The same thing applies here, except that we have qualities here, and grades. The cheese, as I said before, was graded; it was graded before it went overseas, and it passed the graders here. How can we be responsible for it after it leaves the port at Montreal?

The hon. Minister has tried to make something out of this tonight, but I do say in all

sincerity that he had better know his facts again before he starts speaking about the cheese producers of the province of Ontario and taking the member for Stormont to task.

Hon. Mr. MacNaughton: Mr. Chairman, I would just—

Mr. Manley: I asked a simple question last night in regard to what this payment was to Lovell and Christmas. I did not know what it was myself until I asked that question. Surely a member of the Opposition can go into public accounts and ask what an item of \$11,500 was paid for; and surely we are deserving of an answer without this ridicule that the hon. Minister has tried to heap upon me tonight in this honourable House.

Hon. W. A. Stewart (Minister of Agriculture): Mr. Chairman, I would like to add a few comments to what has already been said here tonight.

Mr. R. C. Edwards: Mr. Chairman, on a point of order, are we all going to be permitted to discuss this over again? That vote was carried, I thought.

Hon. Mr. Stewart: We are talking, I believe—

Mr. R. C. Edwards: May we have a ruling on that, sir?

Hon. Mr. Stewart: Now, before you start ruling on this, Mr. Chairman, I am devoting my remarks to vote 111 which has to do in my book with marketing development grants. In relation to the remarks that have been made tonight, it would seem to me that it would be well indeed to recall some of the facts that actually apply to this case. I would like to go back and remind the hon. members of this House through you, Mr. Chairman, that a few years ago, in fact I believe it was something like 10 years ago, in 1952, when dollar supplies were very, very tight and as my hon. friend, the hon. Minister without Portfolio from the riding of Huron (Mr. MacNaughton) has suggested, there were literally no dollars available for supplies from this country in the United Kingdom market, we sent over our Department of Agriculture officials, our chief of marketing who is now our Deputy Minister, and Mr. Coomb, the president of the Cheese Producers Association.

They talked to the Chancellor of the Exchequer in the United Kingdom and they were successful in getting dollars released to buy Canadian cheese. This is what The Department of Agriculture has tried to do for

the farmers of Ontario down through the years; and I maintain, Mr. Chairman, that it will always be our intent to help the little farmer of this province to maintain his market after he has secured it.

Along with that I would like to suggest to those—and I am not a cheese producer myself, but I would like to suggest to those who are, that when the cheese producers' organization was seeking to become established as a major marketing agency for the cheese of this province, The Department of Agriculture came to their assistance with the provision of a guaranteed loan, and sustained them to get into business, to take the cheese off the market and to export it through these importers who were in the business of importing cheese into the United Kingdom. And we have followed this cheese through, from the time it was made right through to the time it was sold in Great Britain.

I suggest, Mr. Chairman, that it was in the interests of the cheese producers, the little farmers of this province, that we followed through on this particular project when the cheese was known to have gone wrong; and we maintained the reputation that is the most outstanding reputation that there is known in this world for cheddar cheese—Canadian cheddar cheese.

Mr. Chairman, I would like to suggest further, in replying to hon. members of the House, that when we have done this we have guaranteed the integrity of the farmers of Ontario through The Ontario Department of Agriculture.

I wish further, Mr. Chairman, to say that if my hon. friend from Stormont (Mr. Manley), who has indeed the interests of the cheese people at heart—he is one of them himself, we do not doubt this—but we question his methods of promoting their interests. If, in fact, we had provided the type of inspection which my hon. friend from Stormont suggests that perhaps we should have done, and we had stopped the farmers from sending milk to this plant, and we had put an inspector in there 24 hours a day and he had seen something wrong every day, that he could find fault with—and I suppose there are few places in the province of Ontario that one could not criticize some time during the day—if this indeed had been the case and the inspector had said: "We are going to close you up; you are through doing business; your farmers can take their milk somewhere else"—because if there was a lack of water, if there was a lack of the right quality of water, it could easily have happened—what would have happened to the market of those people?

It was done with the best of intentions. These people were allowed to make their product, it was shipped in good faith, we followed it through, and we came across and maintained the name of Canadian cheddar cheese and the quality that it is famous for in this country.

Mr. Wintermeyer: On a point of order, is the hon. Minister of Agriculture (Mr. Stewart) suggesting that the regulations do not mean a thing? That is exactly the inference that he left.

Hon. Mr. Stewart: Oh, no, that is not it. Not at all, Mr. Chairman, not at all.

Mr. R. C. Edwards: Mr. Chairman, I would have to reiterate the statements which the hon. leader of the Opposition (Mr. Wintermeyer) just made. The hon. Minister, in speaking to this, suggested that because of the fact that the hon. member for Stormont (Mr. Manley) had raised a question which was rightfully within the public accounts, that he was in fact saying that the department should go in and close up these factories. This was not what he said at all.

But I suggest to the hon. Minister, and I do not profess to be an agricultural man, but if we have inspectors and if we have standards, surely it is the responsibility of those inspectors to see that those standards are maintained. And if he is suggesting that the milk that was going into these factories was not satisfactory and did not meet with these standards, and if this is the reason the cheese gave us this problem, it seems to me that it is only common sense that he would do something about it. And if we are going to maintain the standard of Canadian cheese abroad, by buying off these companies that take the unsatisfactory cheese in the first place, it is going to cost us a lot more in the public accounts next year. Surely he is not suggesting that standards should be changed and should be winked at in certain cases? Because if he is, I suggest to him it is time there was a review of all the standards.

Mr. Whicher: May I ask the hon. Minister a question arising out of what was said by the hon. Minister without Portfolio? In connection with this export market study group that went to England a year or so ago, may I say that I agree with the hon. Minister without Portfolio in many of his remarks; I think that this was an excellent group and I am very pleased that there are some results, according to his words, some results so far. He mentioned such things as the selling of peaches, apples and carrots and some others, too.

Before I ask a question: I want to say that I really think that this is good; as far as I am concerned, and the hon. members on this side, the agriculture members particularly, hope that he sells a great deal more. The problem, as we see it in agricultural production in this province, is the fact that we have too much production and not enough sales, so the more that is sold the better, I want that clearly understood. But my question is this, Mr. Chairman: what is the hon. Minister doing to continue the sales of agricultural products in England? And I would like this specific question along with another that I am going to ask: who has the hon. Minister got representing him in the United Kingdom now, to sell Ontario farm products?

Secondly, Mr. Chairman, before I sit down, I might say that we have 18 marketing boards under this estimate of vote 111. As I understand it, the total of money involved is \$115,000.

If the marketing of products is good in the province of Ontario, my question to the hon. Minister is this: did he ever consider the possibility of having marketing boards in foreign lands, not just in England, but in other lands—in Europe, in Asia, or anywhere where they have hungry people who have money and will give us that money so that we can give the over-production of the farmers of the province of Ontario a fair exchange?

Hon. Mr. Stewart: Mr. Chairman, the question was directed to me, was it?

Mr. Whicher: Yes.

Hon. Mr. Stewart: I think there were several questions. To deal with the last one first, if I may, Mr. Chairman, the question that the hon. member has raised regarding the provision of food for people in lands where there is definitely a shortage of food and marketing agencies: this method of disposal of our surplus foodstuffs is well under consideration by the federal government today and, in fact, the federal government through the federal Minister of Agriculture has led the way in the world in the formation of, and his recommendations for, the establishment of a world food bank.

Mr. Chairman, I know of no better way of disposing of our surplus food than through this particular method. This is the way we feel, in a unified effort, we can concentrate in providing the foodstuffs that we have in abundance for those people who need them—provided we can find a way to get it

to them in a way that they can absorb them and can handle them. This is the answer to that. I hope I have made myself clear.

With regard to what has been sold in Great Britain—that was the first question of the hon. member? I would like to say that we have appointed a full-time director of our overseas marketing in the marketing development branch, Mr. Ted Merritt, who is working on this very matter. As a matter of fact, he arrived in England again this week. It is his job to develop the markets that were explored by this group that went over a year or two ago. And many possibilities were opened up to him.

We have hired this man and we have given him a full-time job to promote overseas sales. I would like to suggest that in this past year 35 tons of fresh peaches were shipped to London, England. Again this last fall, some 150,000 bags of onions and 100,000 packages of carrots were sent over to Great Britain.

This is sent over there simply to provide a sample, if you will, of the products that we have in abundance in this country. And we feel that with the general acceptance of our products and the favourable reception they are receiving in the food shows of Great Britain, where in one instance they had 1.2 million people at the show looking at our products. This, we think, is a fair start on providing a reasonably good outlet for Ontario products.

Mr. Whicher: I would like to ask another question in regard to the same thing. Firstly, I want to thank the hon. Minister for the capable way in which he has attempted to answer the questions that I gave him.

But I want to go back for one minute now to the English market. Do I understand that the hon. Minister has one man over there in a full-time capacity selling foodstuffs from the province of Ontario to look after the needs of 50 million people? Is that the situation, Mr. Chairman?

Hon. Mr. Stewart: Well, would the hon. member suggest we send over a percentage of the 50 million people?

Mr. Whicher: No, I would suggest that the minimum the hon. Minister could do is organize a sales staff of at least 10 or 20 people. What good is one man attempting to sell all of the food that we have, the overabundance of food that we have in the province of Ontario? It may be all right as a trial, but I must say it is a mighty

poor attempt as far as looking after the needs of all the farmers of Ontario.

Mr. Chairman, one thing more I would like to say—

Hon. H. L. Rowntree (Minister of Transport): That sounds like eggs at three cents a dozen.

Mr. Whicher: Well, if they are that cheap, the hon. Minister of Transport will be able to buy some.

Mr. Chairman, I am very pleased that the hon. Minister has said, and of course we all realize, that the federal Department of Agriculture and the Minister of Trade and Commerce in Ottawa have made a legitimate attempt to get rid of some of the extra food that we have here in Canada. But I am a little tired of hearing them boastfully saying to the hon. members opposite that for the first time in a great many years we have had a trade surplus in Canada, when they know perfectly well that the reason that there is a trade surplus is because they sold Red China millions and millions of dollars worth of wheat that they have never collected for yet.

Hon. Mr. Macaulay: We did not sell one single bushel that the hon. member said we sold. Now what does he say?

Mr. Whicher: I said—Mr. Chairman, I would suggest that the hon. Minister of Energy Resources (Mr. Macaulay) was thinking about something else altogether. If he would let the hon. Minister of Agriculture (Mr. Stewart) look after this, we would get along much better. I do not mind him looking after everything else, but when he starts looking after the farmers of the province he is going a little bit too far.

Mr. Chairman, what I said was this, that the hon. Minister of Trade and Commerce had initiated the sale, and the hon. Minister of Agriculture in this province has suggested that this province has co-operated. With that, I heartily agree. But I point out that the reason there is a substantial trade balance this year as far as foreign trade is concerned is because they sold millions of dollars' worth of wheat to Red China.

Hon. Mr. Macaulay: Well, what is wrong with that?

Mr. Whicher: Nothing whatsoever.

Hon. Mr. Macaulay: Well, then, stop apologizing.

Mr. Whicher: I want to ask this: that when you get the trade back from Red China—

Hon. Mr. Macaulay: We are getting paid for it; that is all that matters.

Mr. Whicher: But we are not getting paid for it.

Hon. Mr. Macaulay: Every dollar that has been due has been paid.

Mr. Whicher: Every dollar that is due, but what about the dollars that were due on February 27?

Hon. Mr. Macaulay: They have been paid in full.

Mr. Whicher: Well, Mr. Chairman, all I can say is I certainly hope they are paid. But I suggest this: that Red China, instead of sending cash over to us, is going to have to trade with us. Trade is not a one-way street.

Hon. Mr. Macaulay: It is paid in full, in cash.

Mr. Whicher: Well, Mr. Chairman, I certainly hope the hon. Minister of Energy Resources knows what he is talking about.

Hon. Mr. Macaulay: It is paid in full, in cash.

Mr. Whicher: If it is paid in rice, or in textiles or something like that, I have no objection to this whatsoever. Now, Mr. Chairman, what I wanted to get back to is this. If we have been successful in selling wheat to China, what is wrong with having agencies, marketing agencies, go to other countries to sell our pork, for example, or our peaches?

The hon. Minister just told us a few minutes ago that last year they sold 35 tons of peaches to England. I suggest to you that is not one slice of peach to each Englishman who lives in London alone; it is a very small effort and I do hope the hon. Minister will reinforce his efforts and improve the staff and enlarge the number he has attempting to sell the over-abundance of food that we have in this province.

Mr. R. Gisborn (Wentworth East): Mr. Chairman, maybe as one from this small group that had the opportunity to express some concern over this problem, in the face of being asked again what do I know about

farming, I would suggest that not always does one have to be in the bush to observe what is going on. I have been listening very closely to this discussion about finding markets for our so-called surplus of Ontario farm goods. I wonder and would ask the hon. Minister to take a brief moment or two to explain to me what portion of this expenditure, or any expenditure, has been spent in trying to develop the consumption in Ontario of our Ontario products? Certainly there has been a lot of time spent in the last hour or two talking about developing markets in Great Britain for peaches, apples and other fruit from Ontario. I think we have overlooked the problem that has brought about the necessity to find these markets—that is, a failure to develop the consumption of our home-grown fruits in our own country.

I would like the hon. Minister to point out to me what is being done in this regard. You can go into almost any of the chain stores, walk up and down the aisles, and what you find on the shelves are imported fruits and canned goods of farm products from the United States. Peaches, asparagus, celery, all this sort of thing—I think this is where we lost track of the real problem in the last few years; we have lost track of the development of processing plants in Ontario to process the types of products we produce on the farm. Now we are faced with what we call a surplus. I think we have got the problem, and I think if we look at it squarely we can consider it superficial if we get down to the business of educating, and promoting our own product on our own markets.

The greatest example of this is our grape industry. There is more imported wine consumed in this province than any other type; and yet we grow one of the finest wine grapes in the Niagara Peninsula that can be produced. I believe it is all for the lack of promotion and education by either our farm groups or these manufacturers. I would like the hon. Minister to explain to me, or give me some idea of, what part of this expenditure in this estimate is going to develop the consumption in Ontario of our Ontario products?

Hon. Mr. Stewart: I would say, Mr Chairman, the answer is that about one-half of our award is going for this purpose. We feel that the home market is the best market there is and should be developed and expanded to every extent, and we have done everything we can to do that very thing.

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I would like to follow on what the

hon. member for Bruce (Mr. Whicher) has been asking. I know that the promotion of trade overseas is naturally very fundamental to not only the farmers but every citizen of Ontario, and that the hon. Minister is concerned with this, sir, and that his Ontario government representatives have gone over there in order to do something about it.

I was interested that there was an emphasis on the traditional British trade and the hon. Minister's people must be deeply concerned about the transition that is taking place in connection with the trade patterns in Europe. He must be concerned about the European Common Market and the developments there. Because he is taking a positive role—I should say, sir, that I am therefore directing the question to the hon. Minister of Agriculture (Mr. Stewart) or to the hon. Minister without Portfolio.

He is concerned with this and I am wondering if he is trying to promote a broader marketing area in connection with this European Common Market? Could he give us some of the steps by which he is trying to promote this? In other words, is he active? I am sorry; I am asking the hon. Minister of Agriculture; is this on a point of privilege he is rising?

Hon. Mr. Macaulay: No, this is a point of order. The hon. member wants to know generally what we are doing in terms of the European market not just in agriculture—

Mr. Thompson: No, in respect to agriculture.

Hon. Mr. Macaulay: Not, surely, just in respect to agriculture, surely he wanted to proceed on a broad front—

Mr. Thompson: No, I am sorry. I am asking the question of the hon. Minister of Agriculture—

Hon. Mr. Macaulay: —and this is a matter which comes under my department and I will be reporting on it next week. If the hon. member does not want to wait until then, or if he does not want to know the real answer in the matter, we will have to let it go until then.

Mr. Thompson: I am sorry, sir, but I am interested at this point because I know the hon. Minister of Energy Resources (Mr. Macaulay) has got many explanations, and I should say I have listened with interest to his remarks previously on this. But I am interested in hearing from the hon. Minister of Agriculture who has, obviously from his

department, got someone over in England right now who is trying to develop trade with England. In fact it was said by the hon. Minister from Huron "Trade with England with everything."

There is a very dangerous tendency perhaps for us, or perhaps a golden opportunity, and I am interested in knowing the hon. Minister of Agriculture's opinion about this—if he is interested in moving into the European Common Market. And I am asking him what steps his department is taking to get broader market opportunities in the European Common Market.

Hon. Mr. Stewart: We are doing everything possible to consider the very points that the hon. member has raised and, as was pointed out by the hon. Minister of Commerce and Development (Mr. Macaulay), an announcement will be made according to the deliberations with which we are now proceeding, at the proper time.

Mr. Thompson: I am not interested in what the hon. Minister is going to do in the future. I am asking what he is doing now; could he recount that to me? Has he made plans now?

Hon. Mr. Stewart: To make to the House?

Mr. Thompson: Has he made plans? This development has been taking place for some time about Britain joining the European Common Market—

Hon. Mr. Macaulay: It has not joined yet; it will be a year and a half before it does.

Mr. Thompson: I asked the hon. Minister of Agriculture. He knows the situation, for example, that took place in Accra. We know the point of view—

Hon. Mr. Macaulay: Every department would have to have an ambassador? The hon. member wants them to reduce costs and yet he wants everybody to have a foreign representative.

Mr. Thompson: Mr. Chairman, I consider this a very fundamental question in connection with both the farm people and others. Perhaps I know the policy of the government in Ottawa; we have heard their statements at Accra and we have heard their statements in other places, and I am interested because some of us felt they were a little bit confused about what role they played. I am interested in knowing from the hon. Minister of Agriculture (Mr. Stewart), in view of the very obvious

situation that Britain is moving into the European Common Market—and many of us have known this for a long time—in view of the hon. Minister knowing this, what plans has he developed in connection with the European Common Market and getting sales there?

Or has he not developed any?

Hon. Mr. Stewart: When the hon. member sits down I will stand up.

An hon. member: The hon. Minister is getting kind of touchy over there.

Hon. Mr. Stewart: We are not getting touchy at all. I always understood that when an hon. member was on his feet the other fellow kept down.

Mr. Chairman, we have had our marketing people examining every possible means of finding markets for Ontario products, not only in Great Britain but in Europe. Our market study group that went over on the instruction of my predecessor in office in 1960 examined the markets of Europe and we have sent our marketing people back there to give further study to promoting the sales of Ontario products there.

Now, if my hon. friend knows that Great Britain is going into the European Common Market I think he is ahead of even the British themselves, because I do not know of any announcement to that effect as yet. We are certainly concerned with it and are giving it every consideration. What more my hon. friend wants than that I do not know.

Hon. Mr. MacNaughton: Mr. Chairman, I have one more observation to make here. I think it is a rather peculiar situation and a very singular thing, and if the hon. member for Bruce (Mr. Whicher) was in his seat I would have addressed my remarks to him.

First of all, I think I would like in fairness to congratulate him for the very fair way in which he expressed himself tonight. Now that he is not in his seat I will address this question to the hon. leader of the Opposition (Mr. Wintermeyer).

I find it very difficult to condone the difference of opinion that seems to exist in the Opposition benches across from me, when I recall that a little over a year ago when I discussed this matter before the House I found the hon. leader of the Opposition espousing some of the things that the government has since done: at that time I pointed out that the hon. member for Parkdale (Mr. Trotter) criticized us very largely for a matter involving something that we could not solve,

that we could not touch. Now where do we stand on this thing?

Mr. Wintermeyer: What is the hon. Minister talking about?

Hon. Mr. MacNaughton: I am asking the hon. leader of the Opposition, where does he stand?

Mr. J. Trotter (Parkdale): I have never discussed this.

Hon. Mr. MacNaughton: Well, I can find it in *Hansard* for the hon. member for Parkdale.

Mr. Trotter: Mr. Chairman, I do not know what he is talking about. I do not think he knows what he is talking about.

Hon. Mr. MacNaughton: Mr. Chairman, I will go and look it up in *Hansard* for the hon. member for Parkdale. He said we were embarking on a course involving trade that was entirely within the confines of the federal Department of Trade and Commerce, something that we could not solve and that we could not touch. Here tonight we get praise from the hon. member for Bruce to some extent for what we are doing, we get criticism from others for what we are not doing, and a year ago the hon. member for Parkdale told us we have no business being involved in it at all. How do you add all this up, Mr. Chairman?

Mr. Trotter: If the hon. Minister knows what he is talking about, I would like him to come and tell me and we will have a nice discussion.

Mr. G. W. Innes (Oxford): Mr. Chairman, we have had a lot of discussion about the European market and the British market. I personally would like to tell hon. members that there must have been some good work done by the committee that went over there because there have been some results. I would say that there is a great potential there for the future.

Could I ask the hon. Minister if Mr. Merritt is permanently located in Great Britain at the present time?

Hon. Mr. Stewart: No.

Mr. Innes: There is nobody there at all on a permanent basis?

Hon. Mr. Stewart: We have Ontario House there and we definitely feel that our market-

ing director can be more effective if he is conversant with what is going on here and what is going on over there. We are moving him back and forth to do the most effective job that can possibly be done. I think it is much better to have a man who is fairly conversant with the product that is available and the quality of the product available, so that he can put that product into the trade channels in Great Britain in an effective way. This is our policy.

Mr. Innes: I am amazed at that statement by the hon. Minister. To tell the truth, I had asked about a year ago of the then hon. Prime Minister (Mr. Frost) if London House did have any liaison between the agricultural enterprise and the disposing of agricultural products over there, and the answer was definitely no. What does the hon. Minister expect our people there to do, handle it all? And the hon. Minister tells me today that he has Ontario House there.

Might I ask him this: Has Ontario House a liaison with distributing the agricultural products in London at the present time? He has actually admitted to me that at the present time there is no permanent person in Great Britain. This is shameful, when the hon. Minister from Huron made his great oration here tonight, and the hon. Minister comes and tells us that he has nobody permanently there. I think it is time that somebody got there.

Hon. Mr. Macaulay: This department does not, but there is one of them in my department. But the hon. member does not want to discuss what our department is doing.

Mr. Innes: Would the hon. Minister of Energy Resources mind? I am speaking to the hon. Minister of Agriculture.

Hon. Mr. Stewart: I will answer the hon. member's question, Mr. Chairman. I suggest that we are interested in expanding our trade regardless of what product it is that is produced in the province of Ontario. And I would further suggest to my hon. friend that if he expects every department of this government which is interested in expanding trade to put a whole staff over there to do nothing more than to sell that department's individual product, then he will be back next year telling us we are spending the taxpayers' money.

Mr. Innes: I am speaking on agriculture.

Hon. Mr. Stewart: Just a minute and I will answer my hon. friend's question. He

asked me if we had a permanent resident man in England representing this department. We have representatives at Ontario House represented by the hon. Minister of Commerce and Development's people over there, and our man here, Mr. Merritt, to whom I have referred, is doing the job of liaison between Ontario producers and the export market channels to Great Britain. Now, what better arrangement could one find than that?

Hon. Mr. MacNaughton: On a point of privilege, Mr. Chairman. My privilege relates to the comments of the hon. member for Parkdale. Mr. Chairman, I make reference to page 102 of the *Hansard* of the last session, the hon. member for Parkdale speaking:

Now, Mr. Speaker, the hon. Prime Minister and his cohorts over on the government side want to talk about foreign trade. They want to get away from the problems that are in the province, they want to talk about something they cannot touch or cannot solve.

Mr. Trotter: In answer to that, Mr. Chairman, we were discussing unemployment in the province of Ontario. We had literally thousands of unemployed here. They were doing nothing about winter works. We were not discussing these problems at all. I would say the hon. Minister is completely out of order there. So I still say he does not know what he is talking about.

Mr. Innes: Could I ask the hon. Minister if the members at London House, who are apparently there representing the interests of agriculture, have been appointed since his study committee made their trip to Great Britain?

Hon. Mr. Stewart: First of all, I would like to point out to the hon. member that it is Ontario House, I am told, but that is beside the point. We are all interested in selling Ontario products over there just as much as my hon. friend tries to let on that he is, and I am sure that he is interested in this.

Mr. Innes: On a point of personal privilege, I think the hon. Minister should withdraw that. There is no one more interested in agriculture than I am, and I want the hon. Minister to know that.

Hon. Mr. Stewart: I did not say the hon. member was not.

Mr. Innes: And I would like to ask the hon. Minister how much tobacco was sold in England this past year. Tobacco sales

are cut in half this year on the Tillsonburg market now.

Hon. Mr. Stewart: Well now, what question is it the hon. member wants to ask?

Mr. Innes: I would like to know what training the man has that has been appointed to Ontario House and when he was appointed, who he is, and also how much tobacco—well, that is enough for the moment. But will the hon. Minister tell me when he was appointed, who is he, and what are his qualifications?

Hon. Mr. Stewart: The hon. member has stated his questions in an excellent manner, but I think they should take their time over there because they are befuddling him, I can see that. I would suggest this—

Mr. Wintermeyer: Can the hon. Minister answer this without consultation?

Hon. Mr. Stewart: I told the hon. members, if the hon. leader of the Opposition (Mr. Wintermeyer) would only listen, that we have no agricultural representative in Ontario House specifically hired by this department to do the job. We are using the departmental people of the whole government to do this very thing.

Vote 111 agreed to.

Votes 112 to 116, inclusive, agreed to.

On vote 117:

Mr. R. F. Nixon (Brant): Mr. Chairman, in connection with vote 117, I would like to say again that the remarks by the hon. Minister at the outset of the discussion of these estimates emphasized the fact that our educational institutions in Guelph on the OAC campus are expected to have an overall enrolment of 4,000 by 1970 and the total vote in 117, 118 and 119, which actually, after the passage of one of the bills before the committee on agriculture at this time, will all be one, is well over \$7.5 million.

Previously in this debate I have attempted to point out to the House and the hon. Minister the importance I feel there is in extending to the Ontario Agricultural College full university status, in that they can grant graduate degrees, particularly at the doctorate level. Now the advantage of this is obvious in attracting scholars in agriculture from all over the world and also retaining our own scholars in this province, because at the present time they are forced

to leave Ontario for graduate work in agriculture.

Granting university status to the Ontario Agricultural College would therefore be a tremendous step forward for agriculture in Ontario and the whole academic community.

I would therefore ask the hon. Minister of Agriculture if he contemplates seeking this university status for the Ontario Agricultural College and, if not, perhaps he could explain why he is not going to do that?

Hon. Mr. Stewart: Mr. Chairman, I suggest to the hon. member who discussed this, I believe, at Guelph during the committee the other day, that this matter can be very well discussed when the committee on agriculture meets to deal with the bill. This has nothing to do with the estimates whatever, and I suggest there will be the fullest opportunity to discuss this at the time the bill is being discussed in the committee on agriculture.

Mr. Nixon: Mr. Chairman, the hon. Minister was not present at that discussion, and when I asked the question there was a pregnant pause and there was no answer forthcoming, although I had the distinct impression that the President of the OAC wanted to answer but said nothing under the circumstances. Now I asked this question; no answer was forthcoming in committee and I ask it here.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I might be able to assist the hon. member in this question dealing with the status of OAC, OVC and MacDonald Institute.

These institutions are basically developed for the benefit of the agricultural community of the province and they do not at the moment and under their present organization fit the pattern of our university development in the province in any way. They are completely subsidized by the government, both academically and as far as residences and so on are concerned. They do not fit the pattern of our universities, all of which are independent and have sources of revenue independent of the government. That is one difference that I would point out.

We have introduced two bills in the present session in order to separate two functions that have been carried on in these three institutions, namely, the educational function and the research function. The purpose in separating these two functions as we have

done by uniting the three institutions into one group and establishing a research institute to handle research, is to distinguish these functions so that we will have the purely educational function on one hand and the practical research function, which has served agriculture so well over the years, separated from research as it is associated with an educational institution.

Now, as far as granting university status to these three colleges, I would say that a great deal of thought would have to be given to that matter. I think we have taken the first steps in these bills in order to develop the idea and see whether it would, in fact, prove to be feasible, whether we would establish a university there.

Hon. members can see now that this is basically a farmers' college and has been over the years. It has performed that function very well. It is one of the few institutions of its type in the British Commonwealth of Nations and I think we would have to proceed very carefully before we made any changes in its status, and particularly change its relationship to the rural communities and to the rural economy and the farm economy of the province.

For these reasons, I would say that immediately I cannot see any possibility of this institution becoming a university. On the other hand, I do point out to the hon. member that in separating these functions as we have done with these two bills—and I believe these were the bills that were being discussed in the committee—this is the first step to seeing what can be done.

But hon. members have to consider the possibility of duplication of facilities. If these institutions became a university, then of course, they would, I assume, want to immediately institute all types of university courses. I would point out that we have a university in Waterloo which the government is subsidizing quite heavily, which is developing and providing many courses for young people from that area. We have another university in London being subsidized by the government for some few years. Recently we have created another university in the Windsor area. Now, at the moment, it is a good question as to whether we need another general university in the Guelph area.

So if hon. members put these various points together, they can see that it is a very complex question and one that cannot be settled immediately. It is a question that will require a great deal of examination and study in order to trace through the final

ramifications and results of the hon. member's proposal.

Mr. J. Chapple (Fort William): Mr. Chairman, I would like to ask the hon. Minister about these particular votes. Most of them, as they go along, seem to be rather high. There does not seem to be any real consideration being taken as far as seeing if it would be possible now or in the future to see that reductions are made in any of these votes. This particular one here—we spent \$5,091,429; now we are asked to spend \$5,306,000. All the different categories here are added up and it comes to a certain figure; does the hon. Minister take these different votes, look at them very carefully to see if they can be pared?

There does not seem to be any indication through the whole vote, that I can see, where this has been done in any of the votes. I feel that if the hon. Minister could look at these things very carefully and see where savings could be made—just because something is to cost a certain amount last year does not necessarily mean it is going to cost the same and more this year. Surely there should be some reduction shown somewhere along the line through this particular department.

Of course, I would not want to say all the departments are doing exactly the same thing but the indications seem to be there. Surely, we should or could expect real concentration of savings within this department, at least, and I certainly would like to see for once some indication of this being done.

Vote 117 agreed to.

On vote 118:

Mr. Innes: Mr. Chairman, with regard to the revenue of the various departments—OAC, OVC—from where does the revenue from the various departments come? Does it come back to the department, does it come to OAC, or does it come back to the general revenue of the province?

Hon. Mr. Stewart: The consolidated revenue fund.

Mr. Innes: Recently, I believe it was last year, the dining hall concession was tendered to an outside firm at the OAC; previously it had been operated by the college. What was the reason for tendering it out? There seem to be some complaints.

Hon. Mr. Stewart: I think it was done in the interest of efficient administration. This is

done in most of our high schools across the province, and we simply expanded it to the OAC as a very efficient way of handling this particular service.

Mr. Innes: Well, it may be efficient but I understand from the students up there that it is not too satisfactory, and I bring that to the attention of the hon. Minister.

In the public accounts for the OAC there is an item for Rochester and Pittsburgh Coal Company—\$146,000. I would like to know if any Canadian coal was tendered for that particular college? Why an American firm?

Hon. Mr. Stewart: I understand that is a Canadian company; the tenders are called, and considered, and the low tender gets the bid. Again, it is a Canadian company as I understand it.

Mr. Innes: Do we understand this is Canadian coal? There is a difference.

Vote 118 agreed to.

Votes 119 and 120 agreed to.

On vote 121:

Mr. C. E. Janes (Lambton East): Mr. Chairman, I would like to say a word on vote 121, the Ontario Telephone Commission. I would like to express to the House my satisfaction in the work this commission is doing. I had considerable to do with getting it appointed, a number of years ago, and they are trying to fill a place where some assistance is very necessary. When they first were appointed, there were 500 independent telephone companies in the province of Ontario, serving about 175,000 phone holders. That number of phone companies now is down to 270 and the strange thing is it is serving about the same number of phone holders, because more people are taking phones on all the time.

Different people have said to me, why do we have these independent companies? Why are they necessary?

Back over the years the rural people had to help themselves. The Bell Telephone was serving the urban areas and was not interested in rural areas—that is partly correct. They were not interested in branching out into the rural areas because it is not a paying proposition. They established in the towns, villages and urban centres and in many instances farmers took their own lines in and attached on to the Bell central. They became, what they call, service station companies. They have operated that way over the years.

This telephone commission has been gradually trying to get these companies amalgamated. There are still quite a number of those in existence, yet. It means that a company like that is not large enough to maintain a staff of repair men and operators to carry on in a businesslike way, and to make any money. And, like any other business, if you are in the telephone business, you must make some money. They have been disappearing very fast and it is causing a very great worry to many people in this province.

In 1961, 39 companies disappeared—27 of those were taken over by the Bell. I want to say here and now that the Bell does not want to take those companies over. The Bell is worried about the situation. They have no desire to become a monopoly. We already have our NDP people with a platform that is going to take over the Bell Telephone Company, and as soon as any company becomes a monopoly there is always the possibility of being accused of monopolizing things and getting into trouble. We have worked with the Bell Company all our lives. I have been on the telephones directing the company for about 40 years, and we have found them very co-operative and anxious to work with independent companies.

The telephone authority has been offering various kinds of assistance to these companies. They help them set up bookkeeping and proper accounts. They assist them in engineering. They have an engineer who is the chief engineer and doing an especially good job. We have used him two or three times in our work and he is very co-operative. The authority is very co-operative in assisting in any way they can.

We are worried about the fact that the companies are disappearing through the country and I want to make a statement here right now that Bell Telephone does not give as good a service to country people as independent companies do and can. They are closer to their work, closer to the people, and are doing an exceptionally good job.

Of course, disputes arise and they are brought to this board to be settled. They try to get the companies together, trying to get them to amalgamate and get them stronger, because a company must be a certain size before it can have enough income and revenue to carry on. We have a hundred systems today that involve less than 500 phones and any company under 500 phones cannot operate successfully. My worry, Mr. Chairman, is that unless something is done to assist these companies to carry on they will gradually disappear and we may get to one system.

I can assure the hon. Minister—and I repeat myself—the Bell Telephone Company does not want this and they are willing to do anything and help in any way to keep these smaller systems working. Bell Telephone assists the small systems in giving service because they are interested in following the service right through to the subscriber whether it is on their line or on the independent line.

We have—there is no need of me reading a list of them of 59, there is a list of 500 or more—our number was about 100 with less than 500 phones. I am not going to take much time on this, because it is only a small item of expenditure, but one that has been very useful to a great number of people in the province.

I wonder, Mr. Chairman, I wanted to bring this before the House, if the time has not come when there should be some assistance given to these small independent companies? I am suggesting that there be a loan company or something set up for the government to loan them some money. I am not suggesting that we give them any subsidy or bonus of any kind.

There is no place they can go to borrow money. The loan companies are not allowed to lend it to them, and apparently this IBB in Ottawa is not allowed to lend it to them, as so far they have not approved any loans. I am suggesting that the Ontario government could well step into the picture and make money available at, I would suggest, not less than 6 per cent or whatever it costs the Ontario government to supply the money.

There would be no loss in this because it would be under the control of the telephone commission, who have now had enough experience. They know the situation, they know the business; and the telephone business is one business where you know where you are going.

I might say I have been a director of our company for years. We have 1,600 phones. We have two centrals that have been changed over to dial. We are proceeding now to change over the third central, and by the time it is changed over we are going to have approximately 2,000 phones.

It requires a lot of money for this service. The people are demanding it, and unless some money is made available for these companies to carry on, the people themselves, in demanding services, are going to force them all out of business; because country people have the same rights to the same kind of telephone service that anybody else has. It is

not a question of the government giving anything; it is a question of the government making available money to assist these firms to carry on and put their systems up to date and give the people in the rural areas the proper kind of telephone service.

I would suggest, Mr. Chairman, that there be a minimum set for the number of phones that would be assisted. I would say it should not be less than 800 to 1,000, but I would not want to be too definite about that figure. Sometimes there is a company in a situation with 500 phones, which number it is not possible to increase without a great deal of difficulty. I would suggest that while there should be 800 to 1,000 minimum, there should be a leeway made that the commission, or the hon. Minister, or whatever board is set up to handle it—and I believe a commission would be the proper board—where there was, say, a company with 500 phones, would have the deciding vote or authority to say whether that company should have a loan or not.

Mr. Chairman, I would like to bring this up before the House; I think it is worth considering and worth some discussion, and I think would be a great deal of help to the rural people and the farmers of Ontario.

Vote 121 agreed to.

On vote 122:

Mr. R. C. Edwards: Mr. Chairman, may I ask a question of the hon. Minister under vote 122? I should like to know how many loans are still outstanding to the Ontario junior farm loan branch.

Hon. Mr. Stewart: Mr. Chairman, the answer to the question is that there are just under 3,200 loans outstanding at this date.

Mr. R. C. Edwards: Mr. Chairman, we know that under the estimates for this we have a budget of some \$100,000. I checked back into the public accounts for last year and find that we have some six or seven executive-type personnel on the payroll. This loan board, as I understand it, has ceased operations for the purpose of granting loans since the federal government went into the business of making loans. Now, there are 3,200 loans outstanding and it costs us \$100,000 a year to administer this department; it seems to me that it is costing us \$3,000 per year per loan. Is that correct?

An. hon. member: No—\$30.

Mr. R. C. Edwards: Well, in any event, Mr. Chairman, I will get the hon. Minister

of Energy Resources (Mr. Macaulay) to figure it out for me, and maybe correct it for me. In any event, I do not think any organization would continue a staff this large to service such a few loans. If we figure that it requires \$100,000 simply to keep the records and take in the payments with respect to this limited number of loans, I think it is costing us too much money; and I think the hon. Minister should take another look and perhaps cut these estimates.

I have raised this matter in the Legislature before, Mr. Chairman, and I note that very little has been done. I suggest that possibly the only changes that have been made have been the odd one that they have been able to absorb into other departments within The Department of Agriculture.

I wonder if the hon. Minister would inform us as to why it is necessary to maintain a staff this large to service these few loans which are still outstanding.

Hon. Mr. Stewart: Well, Mr. Chairman, this is a matter that is certainly under consideration. I would point out to my hon. friend that the estimate has been dropped \$16,500 for this year; that there are three less on the payroll today than there were at this time last year, and that we assume that as this matter consolidates itself into purely a collection agency we can perhaps reduce the staff even further.

Mr. R. C. Edwards: Well, I am pretty sure, Mr. Chairman, that if the hon. Minister were to, as suggested, tender out the servicing of this loan to a private enterprise company, it could have been done for at least half of this.

Hon. Mr. Macaulay: A collection agency to collect from these junior farmers? Does the hon. member really believe in that?

Mr. R. C. Edwards: I think that if this is as efficient as the government can operate this system, they had better look around for some method of getting it done. I did not suggest a collection agency, and apparently the hon. Minister is of the opinion that the only people who could do it was a collection agency. There are other facilities available in the province that I think could do it.

Mr. Oliver: Did the hon. Minister tell the House how much money was outstanding? I just came into the House and I did not know if that information was given or not.

Hon. Mr. Stewart: Does the hon. member want that information?

Mr. Oliver: Yes, I do.

Hon. Mr. Stewart: The principal outstanding is \$20,250,000, approximately, just within a few dollars.

Vote 122 agreed to.

On vote 123:

Mr. J. Chapple (Fort William): On vote 123 I would like to ask about this Co-operative Loans Act. Is there money still being loaned for co-operatives under this Act?

Hon. Mr. Stewart: Yes.

Mr. Chapple: There is money still being loaned?

Hon. Mr. Stewart: Oh, yes.

Mr. Chapple: And this \$450,000 is available this year for loans under this category to co-operatives? It is \$450,000 here set aside. Is that so?

Hon. Mr. Stewart: Mr. Chairman, I am not too clear on what the hon. member is asking, but the amount loaned this year was \$488,000 to co-operatives. Now, this has been set as an estimate of \$450,000, for the coming year, and if there is more needed we will--

Mr. Chapple: I just wanted to know that.

Mr. Thompson: Mr. Chairman, I had noticed on the leadership convention of the Conservative party, that there was a platform which had been drawn up, and in this platform it was going to give assistance to immigrant families to settle on farms. I wonder would this assistance come under this co-operative loan or is there any way that an immigrant can get a loan to settle on a farm? Does he have to be a resident of Canada, or does he have to be a Canadian citizen?

Hon. Mr. Stewart: The Ontario government is not in the farm loan business. The junior farmers loans were the only ones we were engaged in and we withdrew from that at the establishment of the Canadian Farm Credit Corporation, which does provide loans for farm people engaged in full-time farming.

Mr. Manley: Mr. Chairman, I would like to ask the hon. Minister: has his department given any consideration that they might possibly go back into the field again to give loans to junior farmers in the province? Might the department go back into that field again?

Hon. Mr. Stewart: No consideration has been given to that. We have had no particular demand for it. As far as I know, the Canadian Farm Credit Corporation is providing satisfactory credit for farmers and I have not heard of objections to it in our area. We would feel that at the moment at least there would not appear to be any demand for a duplication of services.

Mr. Manley: Well, Mr. Chairman, I cannot altogether agree with the observations of the hon. Minister when he says that the Canadian Farm Loan Corporation is meeting the demands in this province. I have had considerable experience with this and I find that young farmers are having great difficulty in getting loans from the Canadian Farm Loan Corporation.

Interjections by hon. members.

Mr. Manley: I was saying that I have had some experience, Mr. Chairman, and I find that this really does not meet the needs of the young farmers in the province of Ontario, nor in fact in Canada.

Now the Farm Co-operation Loan Board, as we know it, at Ottawa, will not look at a loan unless the acreage is far in excess of 100 acres. I have had experience where a son wanted to buy a farm adjoining his father. The father had the machinery and the equipment and they could work together, but the young farmer was turned down. They figured that what they were going to loan on was not of sufficient acreage and he did not have the full equipment in order to operate the farm. Nevertheless the equipment was there which could run both farms' acreage. I think there definitely is a place—if we are so concerned with the future development of the farming industry in this province and if we are going to contribute in a way that is going to keep the young farmers on the farm then we have to provide the credit that is necessary for them to get into the business of farming.

I do not know why in the world the Ontario government pulled out of this field. I do not think that the losses were such that that was a deterrent at all, or know why that would be any reason for them to pull out of this field.

It is quite different in other provinces, and I want to give the example of Quebec. Quebec did not pull out; they went on and made loans more available and easier for the young farmers there. They are encouraging the young men in Quebec to stay on the farms.

An hon. member: It has changed a bit.

Mr. Manley: Surely, it is making credit easier. The loans have increased in Quebec. They have shown a forward step in Quebec. But in 1959, the latest figure that I have, the Quebec government put out loans to the value of \$7,243,295 at an interest rate of 2.5 per cent. They are only charging 2.5 per cent down there. They are leading the way, they are encouraging the young farmers to take up farming and to stay on the land.

But here the government is putting the young farmers off the land, they are increasing the unemployment rolls across the province and they are not giving any encouragement at all to the young farmers who might want to stay on the land if they had an opportunity to get started.

Any hon. members who have any experience in farm operations today or who have been in the position of having to start a young boy out on a farm, surely they must know the amount of money that it takes. I think there is a definite place here as far as the Ontario government is concerned. If they are interested in the welfare of the farming interest today, then I think there is a place for them to get back into the loaning of money to young farmers in order to get them established on the farms of this province.

Mr. J. Root (Wellington-Dufferin): Just on a point of information, did the hon. member say that Quebec is loaning money at 2.5 per cent? Under what conditions and in what amounts?

Mr. Manley: Pardon?

Mr. Root: Under what conditions did they loan money at 2.5 per cent and in what amounts?

Mr. Manley: The length of the loan runs up, I believe, to about 35 or 39 years. They give up to 75 per cent of the value of the farm. I hope that will answer the question of the hon. member.

Mr. Root: Mr. Chairman, that was not the question I asked.

Hon. Mr. Macaulay: This is an existing programme today, is it? Is the hon. member for Stormont asserting that?

Mr. Root: Mr. Chairman, my question was, how much money can you borrow at 2.5 per cent and under what conditions, what type

of farm, or what type of operation can you borrow money at 2.5 per cent?

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I want to get involved here just for a minute. Maybe it would be a good place for this government to borrow money, from Quebec at 2.5 per cent. Look at the money they would save in interest in a year.

Mr. Thompson: Mr. Chairman, if I could, I would like to come back to this platform about the immigrant families settling on farms. I would like to say to the hon. Minister of Agriculture (Mr. Stewart) that in my riding of Dovercourt there are many men with a background of farming. Right now, and over the past couple of years, these men have been without work and are huddled in small homes. I came down once with a delegation to The Department of Agriculture. They have this background in agriculture and would give anything for the opportunity of owning a small bit of land. I notice—and I would say that I thought it was a very far-sighted policy—that hon. members opposite had at their convention mention of placing people on farms. But I would say that from the point of view of these people—I am speaking particularly of Portuguese immigrants—who have tried to set up a co-operative farm base so that they could farm after having had some experience on Ontario farms, have heard that the government would help. I understand that previously the federal government, through a department of settlement, did give some assistance. I understand that in Alberta and some of the other provinces there has been assistance given to immigrants after they have had a certain period of residence.

I would like to just raise this to the hon. Minister, that in view of the congestion of people in cities and in view of the unemployment picture, instead of having to keep people on relief payrolls, it might be a wonderful thing if we had some way to give them a foothold to get some land. I am quite sure that they would prove their value as farmers of Ontario if this opportunity was given to them, and perhaps given through this Co-operatives Loans Act or if there was some extension from The Junior Farmers Act.

Vote 123 agreed to.

Hon. Mr. Robarts moves that the committee of supply rise and report that it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister) moves, seconded by hon. R. W. Macaulay (Minister of Energy Resources), that when this House

adjourns the present sitting thereof, it do stand adjourned until Thursday next at 2:00, p.m.

Motion agreed to.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 10:50 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, March 8, 1962

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 8, 1962

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery Danforth Technical School, Toronto, and in the west gallery Islington United Church Sunday School Class; Silverthorn Public School, Cooksville; St. John's Separate School, Newmarket, and Our Lady of Grace Separate School, Aurora.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. C. T. Rollins (Hastings East), from the select committee appointed to prepare the lists of hon. members to compose the standing committees of the House, presented the committee's third report which was read as follows and adopted:

Your committee recommends that the revised list of the standing committees ordered by the House be composed as follows:

Committee on agriculture: Messrs. Allen (Middlesex South), Auld, Boyer, Brown, Brunelle, Carruthers, Chapple, Connell, Davis, Davison, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Fullerton, Gisborn, Gomme, Guindon, Hall, Hamilton, Hanna, Hoffman, Innes, Janes, Johnston (Carleton), Lavergne, Letherby, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Myers, McNeil, Nixon, Noden, Oliver, Parry, Quilty, Rollins, Root, Sandercock, Simonett, Spence, Stewart, Sutton, Whicher, Whitney, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on conservation, lands and forests: Messrs. Allen (Middlesex South), Auld, Belisle, Boyer, Brunelle, Carruthers, Chapple, Davison, Edwards (Perth), Evans, Fullerton, Gibson, Gisborn, Gomme, Guindon,

Hall, Hamilton, Harris, Hoffman, Innes, Janes, Johnston (Carleton), Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, McNeil, Nixon, Noden, Oliver, Parry, Rollins, Root, Sandercock, Simonett, Sopha, Spence, Sutton, Troy, Quilty, Wardrope, Whicher, White—50.

The quorum of the said committee to consist of seven members.

Committee on education: Messrs. Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bryden, Carruthers, Cowling, Davis, Davison, Downer, Edwards (Perth), Evans, Gibson, Gould, Guindon, Hamilton, Harris, Janes, Johnston (Carleton), Lawrence, Letherby, Lewis, MacDonald, MacNaughton, Morin, Morningstar, Morrow, Myers, McNeil, Newman, Nixon, Parry, Phillips, Price, Reilly, Root, Sandercock, Simonett, Singer, Stewart, Sutton, Thompson, Trotter, Troy, Whicher, White, Wintermeyer—50.

The quorum of the said committee to consist of seven members.

Committee on energy: Messrs. Brunelle, Bryden, Bukator, Carruthers, Chapple, Davis, Gomme, Guindon, Hamilton, Haskett, Janes, Johnston (Parry Sound), Johnston (Carleton), Lawrence, Letherby, Lewis, MacDonald, MacNaughton, Myers, McNeil, Nixon, Oliver, Phillips, Reaume, Reilly, Rollins, Root, Simonett, Singer, Sopha, Stewart, Thomas, Whicher, Whitney, Wintermeyer—35.

The quorum of the said committee to consist of five members.

Committee on game and fish: Messrs. Allen (Middlesex South), Beckett, Boyer, Brown, Brunelle, Chapple, Cowling, Davis, Davison, Evans, Fullerton, Gibson, Gisborn, Guindon, Hamilton, Hoffman, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Lavergne, Lawrence, Letherby, Lewis, Lyons, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, Myers, McNeil, Newman, Nixon, Noden, Parry, Price, Quilty, Rollins, Root, Simonett, Sopha, Spence,

Stewart, Sutton, Troy, Whicher, White, Whitney—50.

The quorum of the said committee to consist of seven members.

Committee on government commissions: Messrs. Auld, Beckett, Belanger, Brunelle, Bryden, Davis, Downer, Edwards (Perth), Guindon, Janes, Johnston (Parry Sound), Johnston (Carleton), Lawrence, Lewis, MacDonald, MacNaughton, Morningstar, Morrow, McNeil, Oliver, Parry, Phillips, Price, Reaume, Root, Sandercock, Singer, Sopha, Sutton, Thomas, Trotter, Troy, Whicher, Whitney, Wintermeyer—35.

The quorum of the said committee to consist of five members.

Committee on health and welfare: Messrs. Auld, Belisle, Boyer, Brunelle, Brown, Bukator, Carruthers, Chapple, Cowling, Davis, Davison, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Gomme, Guindon, Harris, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, Lawrence, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Morningstar, Morrow, McNeil, Newman, Noden, Oliver, Parry, Phillips, Price, Reilly, Rollins, Root, Sandercock, Simonett, Spence, Sutton, Thomas, Thompson, Trotter, Troy, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on highways and highway safety: Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Cowling, Davis, Edwards (Perth), Edwards (Wentworth), Fullerton, Gibson, Gisborn, Gomme, Gordon, Grossman, Guindon, Hall, Hamilton, Hanna, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, Letherby, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morrow, McNeil, Newman, Noden, Price, Reaume, Reilly, Rollins, Root, Simonett, Singer, Sutton, Thomas, Thompson, White, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on labour: Messrs. Auld, Belanger, Belisle, Carruthers, Cass, Daley, Davis, Davison, Downer, Edwards (Wentworth), Gibson, Gisborn, Gomme, Grossman, Hamilton, Hanna, Haskett, Laverne, Lawrence, MacDonald, MacNaughton, Morningstar, Myers, Newman, Parry, Reaume, Rowntree, Simonett, Singer, Sopha, Trotter, Wardrobe, Whicher, White, Yaremko—35.

The quorum of the said committee to consist of five members.

Committee on legal bills: Messrs. Beckett, Bryden, Cass, Davis, Downer, Edwards (Perth), Gould, Grossman, Hall, Hanna, Haskett, Lawrence, Macaulay, MacDonald, Myers, Nickle, Noden, Parry, Price, Rowntree, Singer, Sopha, Trotter, Wintermeyer, Yaremko—25.

The quorum of the said committee to consist of five members.

Committee on mining: Messrs. Belisle, Brunelle, Bryden, Chapple, Davis, Evans, Fullerton, Gisborn, Gomme, Grossman, Harris, Hoffman, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, MacDonald, Mackenzie, Manley, Morin, Morrow, Newman, Noden, Price, Quilty, Rollins, Root, Rowntree, Sandercock, Sopha, Thompson, Troy, Wardrobe, Wintermeyer, Worton—35.

The quorum of the said committee to consist of five members.

Committee on municipal law: Messrs. Auld, Beckett, Belanger, Belisle, Brunelle, Bryden, Carruthers, Cowling, Davis, Downer, Edwards (Perth), Edwards (Wentworth), Evans, Fullerton, Gibson, Gomme, Hall, Hamilton, Haskett, Janes, Johnston (Carleton), Laverne, Lawrence, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morin, Myers, McNeil, Newman, Nickle, Oliver, Parry, Price, Reaume, Reilly, Root, Rowntree, Sandercock, Singer, Sopha, Stewart, Sutton, Thomas, Whicher, Whitney, Worton, Yaremko—50.

The quorum of the said committee to consist of seven members.

Committee on printing: Messrs. Auld, Belanger, Belisle, Boyer, Brown, Brunelle, Carruthers, Cowling, Evans, Fullerton, Gisborn, Gomme, Gordon, Hamilton, Haskett, Janes, Johnston (Carleton), MacDonald, Mackenzie, Manley, Morin, Parry, Whitney, Wintermeyer, Worton—25.

The quorum of the said committee to consist of five members.

Committee on private bills: Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bryden, Carruthers, Cowling, Davis, Edwards (Perth), Evans, Fullerton, Gisborn, Gomme, Gordon, Gould, Grossman, Guindon, Hall, Hamilton, Hanna, Harris, Innes, Janes, Johnston (Parry Sound), Johnston (Carleton), Laverne, Lawrence, Lewis, MacDonald, Mackenzie, MacNaughton, Manley, Morningstar, Morrow, Myers, McNeil, Newman, Nickle, Nixon, Oliver, Parry, Price, Reaume, Reilly, Rollins, Root, Sandercock, Simonett, Singer, Sopha,

Sutton, Thomas, Trotter, Troy, Whicher, Whitney—60.

The quorum of the said committee to consist of seven members.

Committee on privileges and elections: Messrs. Allen (Middlesex South), Belisle, Boyer, Brunelle, Davis, Gomme, Grossman, Harris, Lawrence, Letherby, MacDonald, Morrow, Oliver, Trotter, Wintermeyer—15.

The quorum of the said committee to consist of five members.

Committee on public accounts: Messrs. Auld, Beckett, Boyer, Brown, Brunelle, Bryden, Chapple, Cowling, Davis, Downer, Edwards (Perth), Edwards (Wentworth), Fullerton, Gomme, Gould, Grossman, Guindon, Hanna, Haskett, Hoffman, Janes, Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lyons, MacDonald, Mackenzie, MacNaughton, Morrow, Myers, Noden, Oliver, Parry, Price, Reaume, Rollins, Rowntree, Sandercock, Simonett, Singer, Sutton, Thomas, Thompson, Trotter, Whicher, White, Whitney, Wintermeyer, Worton—50.

The quorum of the said committee to consist of seven members.

Committee on standing orders: Messrs. Allen (Middlesex South), Auld, Belisle, Fullerton, Gordon, Hall, Hanna, Hoffman, Janes, Lavergne, Lyons, MacDonald, Mackenzie, MacNaughton, Manley, McNeil, Newman, Noden, Parry, Sandercock, Sutton, Thomas, Troy, White, Wintermeyer—25.

The quorum of the said committee to consist of five members.

Committee on travel and publicity: Messrs. Allen (Middlesex South), Auld, Beckett, Belanger, Belisle, Boyer, Brown, Brunelle, Bukator, Carruthers, Chapple, Cowling, Davis, Davison, Downer, Edwards (Perth), Fullerton, Gibson, Gisborn, Gomme, Gordon, Grossman, Guindon, Hamilton, Harris, Janes, Johnston (Parry Sound), Lavergne, Lawrence, Letherby, Lewis, Lyons, MacDonald, Mackenzie, MacNaughton, Morin, Newman, Noden, Parry, Quilty, Reaume, Reilly, Rollins, Root, Sandercock, Simonett, Trotter, Troy, Whicher, Whitney—50.

The quorum of the said committee to consist of seven members.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the motion is actually voted on, I would like to request of the hon. Prime Minister (Mr. Robarts) that the hon. member for Renfrew South (Mr. Quilty) be added to the committee on education. He has made that representation

to me just recently, after the arrangement was made. I presume that will not cause any undue interruption or imbalance.

Hon. J. P. Robarts (Prime Minister): I am sure the mover the motion will agree to that and we can add him.

Mr. G. E. Gomme (Lanark) from the standing committee on private bills, presented the committee's fifth report which was read as follows and adopted:

Your committee begs to report the following bills with certain amendments:

Bill No. Pr11, An Act respecting the City of St. Catharines.

Bill No. Pr17, An Act respecting the City of Ottawa.

Your committee would recommend that the following bill having been withdrawn be not reported and would further recommend that the fees less the penalties and the actual cost of printing be remitted:

Bill No. Pr6, An Act respecting the Town of Orillia.

Mr. J. H. White (London South), from the standing committee on education, presented the committee's first report which was read as follows and adopted:

Your committee begs to report the following bill without amendment:

Bill No. 33, An Act to amend The Department of Education Act.

Your committee begs to report the following bill with certain amendments:

Bill No. 34, An Act to amend The Schools Administration Act.

Mr. R. K. McNeil (Elgin), from the standing committee on agriculture, presented the committee's first report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. 70, An Act to amend The Agricultural Societies Act.

Bill No. 74, An Act to amend The Bees Act.

Bill No. 75, An Act to amend The Co-operative Loans Act.

Bill No. 76, An Act to amend The Horticultural Societies Act.

Mr. Speaker: Motions.

Introduction of bills.

PUBLIC PARKS ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Public Parks Act.

Motion agreed to; first reading of the bill.

Mr. J. P. Spence (Kent East): Mr. Speaker, I wonder if the hon. Minister would outline the purpose of the bill.

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, this bill contains many amendments to the Act. Among other things it removes the restrictions on the area of parks which can be held by a board of parks management and makes it the same as those for parks operated by a council. It provides that a municipality may raise, if it so desires, in its annual estimates more than the one or two mills, as the case may be, now required by statute to be raised for park purposes. It will allow a board of parks management to do work with their equipment and personnel for the municipality and other boards of the municipality and charge therefor.

Mr. J. Trotter (Parkdale): Mr. Speaker, before the orders of the day, I have a question for the hon. Minister of Labour (Mr. Warrender) of which he has had notice.

Three men have been killed recently in three separate accidents while working on a Malton airport building. We are informed that Toronto township carried out no safety inspection and that the township officials were unaware of The Building Trades Protection Act.

My question to the hon. Minister is this: has The Department of Labour notified Ontario municipalities of The Building Trades Protection Act as recommended by the McAndrews report?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, as noted in the question, there have been three fatal accidents on a construction job at Malton airport in Toronto township. First in November last a foreman stepped into an opening in the floor and fell eight feet. Second, in February, 1962, a workman was pulling a tarpaulin over the steel framework as a temporary roof and he lost his balance while standing on a 2 by 10 inch plank laid across two steel beams. He fell onto the tarpaulin and struck the base of a steel framework. Third, on Monday last, a workman was pulling a tarpaulin into position to serve as a temporary shelter and an eyelet suddenly gave way

causing him to lose his balance and fall through the steel framework 19 feet.

The foregoing information was supplied to my officials by the construction safety association, one of whose inspectors, by the way, had advised the workers against using 2 by 10 inch planks and advised the use of a duckwalk. The McAndrews report recommends a repeal to The Building Trades Protection Act and the enactment of a new Act to be entitled The Construction Safety Act.

As hon. members of the House know, we have established by legislation the Labour Safety Council of Ontario and one of the first jobs it undertook was to examine a draft of the new Act, The Construction Safety Act. I expect it will not be too long before this legislation will be in the House. This, of course, will mean the repeal of The Building Trades Protection Act.

Insofar as notifying the municipalities of their responsibility to enforce The Building Trades Protection Act, the answer to the question is that because the McAndrews commission has recommended its repeal, because the Labour Safety Council of Ontario concurs, the municipalities were not notified.

Mr. Trotter: Mr. Speaker, by way of a supplementary question; I take it then that neither prior to the Hogg's Hollow disaster nor subsequently after the Hogg's Hollow disaster, or the McAndrews report, was anything ever done to try to enforce the regulations that were supposed to be in force here in the province of Ontario. Is that correct?

Hon. Mr. Warrender: I could not answer that question.

Mr. Trotter: The hon. Minister does not know if they are enforcing the regulations at all?

Hon. Mr. Warrender: The Act has been there since 1911, I am told. It has been drawn to the attention of the municipalities over the years. The Act should be known to all the municipalities. But what happened prior to my time I do not know.

Mr. Trotter: It is the same government, Mr. Speaker!

Hon. Mr. Warrender: I am saying that since both the McAndrews report and the labour safety council have recommended the repeal of The Building Trades Protection Act that is going to be done.

Mr. D. C. MacDonald (York South): Mr. Speaker, may I ask a question? Has the

safety council recommended specific legislation and, if so, when?

Hon. Mr. Warrender: The council has recommended specific legislation. The legislation is now in the process of being studied and put into legislative shape by the legislative council and it should be in this House very soon.

Mr. MacDonald: May I ask when they so recommended?

Hon. Mr. Warrender: When did they recommend it? I would think about three or four weeks ago.

Mr. MacDonald: Mr. Speaker, I have two questions I would like to ask before the orders of the day, copies of which have gone to the appropriate hon. Ministers, through you.

The first one to the hon. Prime Minister (Mr. Roberts): in view of the recent statement by the Most Reverend Alexander Carter, Bishop of the Roman Catholic Diocese of Sault St. Marie, that, the regular scale of wages established in union contracts will be met in diocesan work and, other things being equal, diocesan work will be given to contractors with union contracts, has the government given consideration to establishing policy applicable to all government departments that in public works union wage scales will be met and in letting contracts preference will be given to contractors with union agreements?

Hon. Mr. Roberts: Mr. Speaker, in answer to this question, I would say first that matters of this type are pretty well always under consideration. To expand that a little bit, our government contracts are let to those firms whose tenders are accepted. The acceptance of a tender depends upon the price quoted and the ability of the contractor to perform the work involved. It is not a question of whether the firm, whose tender is accepted, has a union or has not. It is a good question, I think, as to whether there should be a consideration. Now this is the point, I believe, of the hon. member's question.

In the first place, not all firms in this province that are taxpayers are necessarily unionized and thus I do not think that it can be considered proper for the government to discriminate against some firms that are taxpayers and do not happen to be unionized, in favour of other firms that are taxpayers and that are unionized. I would point out, in addition, that not all the workers of this

province belong to unions, and it is the task of the unions to establish themselves in those firms that they wish to unionize, rather than a task of this government to force workers to join unions, or firms to establish unions in their plants, if they are to share in government business.

Mr. MacDonald: Mr. Speaker, may I ask a supplementary question? In making a decision with regard to contracts, does the government in any sense at all examine whether or not a tender is lower because of the fact that the company has not got a union and therefore is paying lower wages?

Hon. Mr. Roberts: Well, Mr. Speaker, in assessing the fact of what a low tender is, various matters are considered, and I assume this is considered as well. But the hon. member knows as well as I do that rates of pay vary considerably from area to area across the province and I am inclined to doubt that a low tender would be refused because the rates of pay of the firm tendering were arbitrarily below those of any union standard that someone might suggest.

Mr. K. Bryden (Woodbine): Mr. Speaker, may I direct—

Hon. Mr. Roberts: I do not propose to debate this matter this afternoon. There will be other opportunities. I am only answering a question before the orders of the day. I think these things get out of hand.

Mr. Bryden: Has the government ever given consideration to a fair-wage policy to ensure that contracts would not be awarded on the basis of labour exploitation?

Mr. MacDonald: My second question, which I mentioned a moment ago, is directed to the hon. Minister of Health (Mr. Dymond). Yesterday's *Toronto Daily Star* carries comments from Dr. Albert Sabin, if that is the correct pronunciation of the name, the U.S. researcher who developed the oral polio-vaccine, asserting the vaccine need not be used merely as a booster for the Salk vaccine but rather should be supplied for everybody in the community. "If this is not done in Ontario, the Minister of Health will be responsible for every paralytic polio case in Ontario this summer," Dr. Sabin is reported as saying. My question to the hon. Minister is this: would the hon. Minister comment on this statement, particularly from the point of view of what is the considered view of medical authorities as to the reliability of the new Sabin vaccine?

Hon. M. B. Dymond (Minister of Health): Mr. Speaker, the outburst of Dr. Sabin was surprising to me, to put it mildly, and would, I suggest, be considered most unprofessional.

I am not, however, at all exercised by Dr. Sabin's opinion of me or the charge he has levelled against me. I am very much concerned lest his charge might rouse doubts and fears in the minds of the people of Ontario, concerning the efficacy of our programme to protect them from polio. Any such fears or doubts are completely groundless, as Dr. Sabin well knows.

Our proposed use of live oral polio virus vaccine is based upon the advice of our Canadian medical scientific advisers, in whom we have every confidence. These advisers are fully knowledgeable regarding our Canadian Salk vaccine and the extent of Salk vaccination in Canada. They also have all available knowledge of the results of the Sabin types of oral vaccination. They have given their advice, and we are going to follow it, irrespective of the opinion of anyone else.

We are advised that the Sabin vaccination alone will not give any higher a percentage of successful immunization than the Salk vaccine alone will give. The two combined may be expected to improve this position. Therefore our experts say that, and I quote:

It will be wise to use Sabin vaccine to supplement the effect of Salk vaccine and programmes of individual immunization.

We have every confidence in our Canadian experts and I have no hesitation in stating publicly that they are as well, or better, qualified in this field than any group in the world. May I repeat again my statement of the other day; a statement based upon Canadian expert opinion, quote:

The Sabin type of vaccine will not be used to replace Salk vaccine but rather to reinforce the level of immunity and give added assurance that anyone who did not for any reason respond well to the Salk vaccine will get a good booster from the live oral vaccine. Its greatest value will be in giving adequate protection to a whole family unit or a whole community.

This, of course, is in contradiction to the Salk vaccine, where the individual could be immunized without the necessity of the whole family—although it would be better of course that the whole family should be vaccinated—therefore until our experts advise otherwise, this is the plan we will follow. Perhaps, Mr. Speaker, it would be very interesting if Dr. Sabin were to advise us here in Ontario

how many States in his own country have endorsed and are using Sabin vaccine to the exclusion of all others.

Mr. Trotter: Before the orders of the day, I have a question for the hon. Prime Minister and Minister of Education (Mr. Robarts). It has been stated in the *Toronto Globe and Mail* of March 7, 1962, that Ontario is in danger of failing to qualify for a 25 per cent bonus the federal government is offering toward the cost of retraining the unemployed. The question is in two parts:

How far does this province have to go to reach the required quota by March 31, 1962; and secondly, what effort is the government making to reach the required quota?

Hon. Mr. Robarts: Mr. Speaker, the quota of training days is based on 7 per cent of the working population as of some date in 1959, and the working population is assumed to be everyone over 14. This is the basis set in the formula with the federal government and, if you exceed the number of training days produced by applying this formula, then the federal government will assume 75 per cent of the cost of retraining unemployed, and if you do not reach that figure they will assume 50 per cent.

I believe the term "bonus" is a misnomer. I do not think it is a bonus. It is merely a formula that has been worked out. However, the quota of training days that we must reach in this province in order to obtain a 75 per cent sharing of the cost by the federal government is 286,400. As of January 31, 1962, we had total training days of 201,829.

Now I must project for February and March, if I am to answer the hon. member's question, because I have not the figures for February, and of course, we are into March at the moment. These courses end and start at various times and training takes place in 20-odd communities across the province, so I will have to take rough figures and project them in order to see where we can reasonably expect to be on March 31. The number of trainees in the province in January was 2,166 and the number of training days in February was 20, and in March was 22. So if we add these together for the two months we get 42; and if we multiply the number of trainees by the number of training days available, we will reach a figure of 90,972 training days, which we might logically expect to establish in these two months—barring such events as a school burning down or something of that nature. And if the hon. member adds the 90,972 that I project, to the 201,829 up to January 31, we will have a total of 292,801 as opposed to the 286,400 required

to qualify for the 75 per cent grants. So we anticipate that we will reach the 75 per cent.

Now, what effort is the government making to reach the required quota—the other part of the hon. member's question. These courses are run on a local basis—except here in Toronto at the Provincial Institute of Trades where we run courses ourselves. In the normal course of events these courses are set up by local committees, who are aware of the circumstances in the local areas, who know what the unemployment situation might be there, who know what the job opportunities might be for those who are trained. We of course co-operate with every municipality.

We are in the process of acquiring a new building here which will be devoted entirely to retraining of the unemployed and will accommodate about 500 people. For that building, as I say, the negotiations are going on now. We have acquired another building on Wellesley Street which is presently being renovated to accommodate the automotive trades, and which in turn will relieve some of the space at the Provincial Institute of Trades on Nassau Street. I think I can assure the House that, providing there is a flow of unemployed people who want retraining, we will have facilities to reach this 75 per cent figure without any possibility of a doubt in the coming fiscal year.

Mr. Trotter: Mr. Speaker, by way of a supplementary question: In November we heard that \$100 million was going to be spent in a period of time. I am surprised to hear from the answer of the hon. Prime Minister (Mr. Robarts) that we are just possibly going to make the minimum allowed. Has the programme not started which he expected to start in November?

Hon. Mr. Robarts: The hon. member is talking about two entirely different things. Mr. Speaker, I will deal with this whole problem of the \$100 million programme in the estimates of The Department of Education. The \$100 million programme really has nothing to do with the subject matter of the hon. member's question.

Hon. W. A. Stewart (Minister of Agriculture): Mr. Speaker, earlier this week during the estimates of The Department of Agriculture there were two questions submitted by the hon. member for Kent East (Mr. Spence), I believe, one of them having to do with the affairs of the milk industry board. I believe one of the questions asked was the number of meetings held by the board, which

is 31. The applications for licences refused by the board, three.

Prosecutions under The Milk Industry Act and the regulations: Two transporters pleaded guilty to the operation of a vehicle not in compliance with the regulations; two charges for distributing fluid milk products in an area not specified on the licence, were withdrawn after one or two adjournments. There were also a few cases where the board found it necessary to instruct the field men to institute court proceedings, but the requirements were met before a charge was actually laid.

The second question I recall, submitted by the hon. member, had to do with the recent vote held by the grain corn producers, concerning their marketing plan. I believe he wanted to know if the ballots were submitted in such a way that it could not be determined whether they were identified with the man who had cast the vote. Now the procedure is simply this; I have the ballot here and the contents of the letter that was submitted to each individual corn grower, according to the list of corn growers who had registered to vote.

The instructions for the mail vote—including an envelope to return the ballot—were submitted to each grower, and he was instructed to mark the ballot and to place the ballot in an unmarked brown envelope which I have here; he was then to seal the brown envelope. On neither the ballot nor the brown envelope are there any marks of identification of any kind or any number. The brown envelope was then placed inside the blue envelope here, and was returned to the farm products marketing board to Mr. J. W. Drennan, who acted as returning officer for the particular vote.

When the envelope was returned to the marketing board, the number that appears on the blue envelope was ticked off as the number corresponding to the producer's number listed on the vote. Each individual corn producer could submit only one ballot. These blue envelopes were then held until February 5—I believe it was—when the vote was counted. The scrutineer in favour of the plan and the scrutineer in opposition to the plan were both called in, and sat while the returning officer opened the blue envelope and discarded it.

The brown envelope was withdrawn and, when all the blue envelopes had been opened and discarded, the brown envelopes were then opened and the ballots withdrawn and the disposition of the vote was recorded according to the vote on the ballot. Now,

this would, I think, prove beyond a shadow of a doubt that there could not have been any way that a determination could have been made as to the individual voter's favour or disfavour of the plan.

I trust that is satisfactory, Mr. Speaker, and I thank the hon. member for raising the matter.

Mr. Spence: Mr. Speaker, may I ask the hon. Minister of Agriculture (Mr. Stewart) a question in that regard? Was this outlined to the growers before they received this ballot? It seemed to be misleading, confusing, to the growers with that number on the little envelope.

Hon Mr. Stewart: Mr. Speaker, all I can say is that the instructions are clearly stated on the letter that went with the ballot. Any voter who read that letter would clearly understand, so there could be no misunderstanding as to how it was to be done. Now whether or not every voter understood this, I am in no position to know. This was something that was agreed upon by those who were promoting the corn vote. It was explained—as I understand—at meetings. Certainly a vote by mail is not a new procedure, but it is the first time I have ever heard the question raised.

Mr. Speaker: Orders of the day.

House in committee of supply; Mr. D. H. Morrow in the chair.

ESTIMATES, DEPARTMENT OF TRANSPORT

On vote 2001:

Hon. H. L. Rowntree (Minister of Transport): Mr. Chairman, may I say that it is a very great privilege to appear before this House and to present the estimates of my department for the fiscal year of 1962 and 1963. In doing so, I will be reporting to the hon. members on one of the greatest years of accomplishment in the history of The Department of Transport.

Mr. Chairman, before doing so, and before proceeding, there are three matters of immediate interest to the hon. members of the House to which I should like to refer.

First, Mr. Chairman, I am pleased to announce to the hon. members of the House that a survey of the number of licences issued up to last night shows that the number of uninsured owners in Ontario has dropped 75 per cent compared with the same period last year. This reduction can be credited to the

\$20 fee required from uninsured motorists. This fee was increased from \$5 at the beginning of the year.

As a result of the increase in this fee the records indicate that 98.6 per cent of the applicants for licences up to date have shown proof of insurance compared to 94.4 per cent for the same period last year.

Now Mr. Chairman, if this trend continues, it will mean that in the current year 97 per cent of all motor vehicle owners will be insured as compared to 91 per cent in 1961.

This will mean, according to information available to us, that Ontario will be in a better position in this regard than any other jurisdiction. Quebec claims under their new financial responsibility law, introduced last year, about 75 per cent insured. Manitoba, which for many years has had a law requiring the impoundment of uninsured motor vehicles involved in accidents, claims 95 per cent insured. It is estimated that New York State with its compulsory insurance law, has only 95 to 96 per cent insured vehicles on the road at any one time.

I am also pleased to announce Mr. Chairman, that the motoring public has responded very well indeed to the recent request not to wait until the last day to secure their licences. Up to the close of business last night better than 85 per cent had renewed their licences and permits. This leaves approximately 250,000 still to secure their licences by March 14. There should be no problem in issuing the remainder by the March 14 deadline with the some 260 agency offices located throughout the province.

I might add, Mr. Chairman, that if anyone is waiting until the last day hoping for a further extension, I am afraid he is due for a disappointment. There will definitely be no extension beyond March 14. Anyone operating a motor vehicle after midnight on that date—without 1962 plates—will leave himself open to such action as the authorities may deem appropriate in the circumstances.

May I again, Mr. Chairman, remind all motorists of the necessity to produce proof of insurance at the time of registration, to avoid payment of the \$20 uninsured owner's fee.

Now, Mr. Chairman, I have a second important announcement to make concerning the subject of reciprocity with respect to the operation of commercial vehicles on an inter-provincial basis. A reciprocal agreement has just been signed and has been jointly announced by the hon. Minister of Highways of the province of Alberta and by me today,

concerning an agreement between the governments of Ontario and of Alberta. As a result of this agreement, owners of commercial vehicles in each of the two provinces will be permitted to operate in the other's jurisdiction at a reduced registration fee. This announcement, as I have said, is being made simultaneously in this House and in the Alberta Legislature in Edmonton by my distinguished friend, the hon. Gordon Taylor, the Minister of Highways.

Mr. Chairman, I am pleased to be able to tell the House that The Ontario Department of Transport has taken the initiative in approaching all the other nine provinces and other nine governments in an effort to obtain reciprocity with all provinces. These negotiations are continuing. The New Brunswick government has accepted our proposal in principle and I have received their assurance that the agreement will be signed in the very near future. Negotiations with the Saskatchewan government have also been successfully concluded, and the agreement awaits the final approval of the provincial cabinet in that province.

The agreement provides that all commercial vehicles having a gross weight of three tons or less will be exempt from paying the registration fee in the other provinces; that is where a reciprocal agreement exists. For vehicles over three tons gross weight, a uniform fee of \$10 per gross registered ton is to be levied in lieu of the registration fees. A reduced fee for all commercial transport operators will result. This could mean a saving of up to \$700 for each tractor-trailer combination.

In addition to their regular licence plates, special plates and stickers for each province entering into the agreement will be issued to bus and truck fleet operators to identify their vehicles. These will permit such vehicles to operate in the other contracting provinces without paying additional registration fees.

These agreements, Mr. Chairman, constitute a major breakthrough in facilitating the movement of people and goods by bus and truck transport across Canada. They will also result in a much greater use of the Trans-Canada Highway which will inevitably benefit garages, service stations, restaurants, motels and other commercial operations catering to the transport trade all along the Trans-Canada route.

Thirdly, Mr. Chairman, it gives me further pleasure to announce to this House that the hon. Prime Minister (Mr. Robarts) has directed all departments of the Ontario gov-

ernment to proceed with the installation of seat belts in government cars, if this has not already been done. Mr. Chairman, I believe that Ontario is the first of all 10 Canadian provinces to take this step in providing continued leadership towards greater safety.

Now, Mr. Chairman, during the past two decades, the economic growth of this province, along with that of Canada, and other countries, has been very, very great. During those 20 years, the rapid growth in population and personal incomes in Ontario has produced greatly increased demands for consumer products. Not low on the list of demands has been that for motor vehicles. Registrations increased between 1941 and 1961 from 740,000 vehicles to 2.1 million vehicles.

To keep pace with this rapidly expanding use of the motor vehicle in Ontario, The Department of Transport has grown from its early beginnings in 1903 under the Provincial Secretary's office, through The Department of Public Works and Highways to the Motor Vehicles Branch of The Department of Highways. Finally, in 1957 it blossomed forth as a fully fledged department—The Ontario Department of Transport. Since 1957, it has steadily grown until today it consists of nine separate branches with just under 900 employees. The future must see a continued growth of the department during the next 20 years, by which time it is estimated there will be twice as many vehicles and drivers as there are today, using the roads and highways of this province.

Now, with respect to registrations and revenues. The tremendous economic growth in Ontario since the end of the last war is reflected in the tremendous increase in the number of vehicles, as I have said. To illustrate this growth let us look at the figures for 1941.

In that year there were some 740,000 registered vehicles and just under a million drivers. The revenue for 1940-1941 totalled \$9.3 million, of which \$8.7 million came from permits and licences. By 1951 the number of vehicles had jumped to 1.2 million and drivers to 1.4 million. During the same period, revenue more than doubled to \$20.3 million, \$18.5 million of which was attributable to permits and licences.

During the next ten years, vehicles and drivers almost doubled while our revenue increased almost 3.5 times. In 1961 there were 2.1 million vehicles, 2.4 million drivers, and the total revenue amounted to some

\$67.7 million, of which \$61.8 million was derived from permits and licences.

By 1970 it is estimated that there will be some 3.5 million vehicles operating on our highways and, by 1980, over 4 million. With these increases will come a proportionate increase in the number of drivers. However, all this has not taken place, nor will take place, without increasing the problems confronting The Department of Transport.

With respect to accident statistics, Mr. Chairman, traffic accidents are, regrettably, a major and ever-growing problem in Ontario and one which gives me grave concern. As the hon. members will already know, during the calendar year 1961, the overall traffic accident picture showed some relative or apparent improvement with a drop of approximately 2 per cent from 87,186 to 85,577. Unfortunately, at the same time personal injuries showed a slight increase, and fatal accidents recorded an all-time high, with 1,268 deaths against the 1,166 for 1960.

While over the years, the total number of accidents and fatalities has increased owing to the tremendous increase in the number of vehicles and the mileage driven each year by these vehicles, there has been a marked improvement in the fatality rate per 100 million miles driven. For example, in 1931 the rate was 15.1 fatal accidents per 100 million miles. In 1941 the rate was 14.0 and by 1951, 9.3. In 1961 the figure had dropped to 7.1 fatal accidents per 100 million miles driven.

Traffic accidents and their terrible loss of life, limb and property are, nevertheless, a growing problem in Ontario. It is a problem that must be relentlessly and continuously attacked by the department.

There are three main approaches to the problem of traffic accidents: (1) The safe driver; (2) The safe road; and (3) The safe vehicle.

Because we believe it to be the first line of attack in the prevention of traffic accidents, The Department of Transport has channelled much of its efforts towards the safe driver. Continued progress was made during 1961 under the new driver examination programme, and a number of highlights merit mention here.

On April 1, 1961, the department completed the conversion programme from the former "fee examiner" system to one consisting entirely of trained civil service examiners. To provide adequate examining service under the new system, the department now operates 43 permanent centres in major cities and towns across the province. In addition, service

is provided by travelling examiners in an additional 95 towns and villages, on a weekly or twice-monthly basis as required.

These some 140 centres are strategically located throughout the province so that, with very few exceptions, no person has to travel more than 25 miles for such an examination—and in a great majority of cases less than 15 miles. I wish it were possible to have an examiner visit every community in the province, but this would not be economically sound, and I am ever mindful that it is the citizens of the province who in the end must pay the costs. I am confident that the present facilities available in Ontario are second to none, either in Canada or in the United States.

At the region No. 1 workshop of the American association of motor vehicle administrators held in New York City last year, Mr. Victor Veness stated that, of the 14 states and provinces in region No. 1 of that organization, Ontario had made more progress in driver licensing, driver control and driver improvement than any other state or province in the region.

Mr. Harry D. Fletcher, specialist in fleet safety at Pennsylvania State University, on a recent visit to Toronto asked for materials on the driver licensing programme and a copy of our road test score sheet, which he thought was superior to anything in use in the United States.

The introduction on June 1, 1961, of tests for temporary instruction permits may be considered a significant improvement in driver licensing. Now, before being issued a permit to practice driving, all applicants are required to pass a preliminary test of vision and a written test on the rules of the road and sign recognition. Previously a temporary instruction permit was issued on application.

The written test for an instruction permit is very basic but it was considered desirable, with the increasing traffic density, that everyone driving on Ontario streets and highways should be familiar with highway signs and rules of the road.

During the vision test the examiner has an opportunity to check other characteristics to ensure an applicant meets the required physical standards before getting behind the wheel of a car.

Since June 1, 1961, of 150,000 persons tested, 15,700 have had instruction permits restricted to wearing prescribed lenses. 403 applicants were referred for a professional eye examination and of this number 9 persons have not filed satisfactory eye certificates or did not meet other physical standards.

Further value of these tests, Mr. Chairman, is shown in the improvement now apparent on the more comprehensive written and sign tests required before taking a road test for an operator's or chauffeur's licence.

Analysis of first attempts for driver licence during 1961 show only 9 per cent failed inside tests compared to 37 per cent in 1960.

For a number of years it has been department policy to require re-examination in the following cases:

- (a) Drivers 80 years of age or over, who must be re-tested annually.
- (b) Drivers 70 years of age or over, if at fault in an accident.
- (c) Accident repeaters.
- (d) Drivers involved in fatal accidents.
- (e) Drivers previously suspended under the point system.

Some 7,979 persons were re-examined during 1961. Of this number 2,909 or 36.5 per cent failed first attempt. Analysis of first attempt failures shows 21.7 per cent lacked adequate knowledge of signs and rules; 42.4 per cent failed the road test and 35.9 per cent failed both tests.

During 1961 the re-examination programme was expanded to include school bus drivers seeking authority to operate school buses having a seating capacity of 10 or more passengers.

A total of 5,214 applicants met special examination standards for authority to drive school buses. Eighteen applicants for this authority were rejected because they failed to meet physical requirements; 16.9 per cent failed first attempt, or their first test.

Commencing March 5, 1962—this week—all drivers suspended for a definite period will be included as an additional class to be re-examined. The drivers in this latter-mentioned group have been suspended for serious violations of traffic laws and it would seem proper to require them to show that they possess or have skills and sufficiently mature attitudes necessary to participate successfully in traffic.

Approximately 15,000 drivers in this class will be re-examined in 1962.

Commencement will be made in the coming year on the installation of the proposed mechanized licence-issuing procedure. Preliminary studies on this project have been completed and we are now ready to proceed with the first part of the changeover. Completion of the programme is planned so that it will be possible to issue drivers' licences by machine, starting in 1964. At that time

it will be possible to commence the department's planned re-examination of all drivers on a periodical basis, if such re-examination is indicated.

Now, with respect to the safe driver and driver control, while we are constantly striving to improve our standards of driver examinations and the quality of instruction of our examiners it will be recognized that driving tests, at best, can show whether the applicant can drive but not how well he will behave after the licence is issued. Provision for this situation must be made by some method of record-keeping and follow-up.

It was for this purpose the point system was introduced in April, 1959. The point system operates on the principle of weighting traffic offences according to their seriousness. When a driver is convicted for a traffic violation, an established number of points are scored against his record. If he accumulates a specified number of points in a two-year period, action is taken in an attempt to improve his driving.

Under the present point system regulations a driver is sent an advisory letter when he accumulates six demerit points. The letter sets out his record, urges that he give greater attention to his manner of driving behaviour and warns of more serious action that will be taken if he fails to do so.

If the driver receives further points that bring him to the nine-point level he is asked to attend an interview with a review officer of the department, who has had special training in such work. The review officer's job is to determine the cause of the bad record and to offer corrective help. The vast majority of the drivers interviewed show a willingness to co-operate. A few show a high measure of arrogance, belligerence, impatience or disregard for others, and in such cases immediate suspension is recommended. Other driver improvement action may include a driving examination, attendance at a traffic court clinic, or probation. If these various efforts to improve the driver are not successful and he moves to the twelve-point level, immediate suspension is applied.

During the first 34 months' operation of the system, 56,348 drivers were sent advisory letters at the six-point level; 12,706 interviews were conducted at the nine-point level; and 3,764 drivers had their licences withdrawn upon accumulation of twelve points.

The fact that only 4.7 per cent of the drivers who received advisory letters subsequently reached the twelve-point suspension level indicates that the initial warnings had a beneficial effect.

I should like to make it very clear to the hon. members that it is not the intention of the system to take drivers off the road, but rather to encourage the few bad drivers to improve their driving. It is only when all else fails that the licences are suspended.

It will be realized that in conjunction with a system of driver control, a highly efficient method to maintain driver records is required. I am happy to say that the department's driver control branch now is credited with having one of the most up-to-date mechanized record filing systems on the continent. Provision has been made in the department's estimates to further extend and complete this system in the coming year.

In addition to their use for internal department purposes, information from the drivers' records is made available to police, insurance companies and other agencies. During 1961, a total of 77,785 statements of operating records were processed for this purpose.

In reviewing the operations of the point system after a two-year period, I was most pleased and gratified to learn that over 95 per cent of our drivers had not accumulated sufficient points to warrant even a warning letter, and it is estimated that over 85 per cent have not accumulated any points. I congratulate the drivers of Ontario and commend them on achieving such an enviable record in the exercise of care and courtesy in their daily driving habits.

I am confident the point system can do much to improve the driving habits of the very small minority of bad drivers. As a result of the experience gained in the operation of the system, I believe that a few changes in the rules and regulations may be desirable. These are now being drafted and will shortly be announced.

And now, Mr. Chairman, I would like with your permission to discuss for a few minutes the highway safety programme of our department.

In an attempt to bring about a radical improvement in the traffic accident situation during the next fiscal year, the department intends to pursue a vigorous programme of accident prevention measures within the limits of the resources placed at its disposal. The work of every branch and division and of every individual in the department is related in some measure, either directly or indirectly, to the accident prevention problem. And I can assure hon. members, that they are unlikely to find anywhere a group of men and women more anxious to improve the traffic accident picture than among the members of the staff of our department.

But, however devoted, however sincere, and however dedicated they may be in their efforts to save lives and prevent needless injury and loss caused by motor vehicle mishaps, they cannot possibly be successful without the wholehearted interest and support of many agencies, organizations and individuals both inside and outside the government.

And here, let me assure you, Mr. Chairman, that finding adequate solutions to the problem is not a task that can be performed successfully by governments alone. It demands the active and continued support of all public-spirited citizens from every walk of life and from every part of Ontario.

May I remind hon. members that every citizen of this great province is either a motorist or a pedestrian. It is therefore up to each one of us to examine our own conscience and our own attitude with respect to this modern phenomenon, and to decide for ourselves whether we want to accept personal responsibility both as motorists and pedestrians, for learning and obeying the few simple rules that will enable anyone to survive in today's traffic.

I have mentioned that no success can be expected in this field without the wholehearted support of many individuals and groups outside the government. Chief among these are the local safety councils that labour selflessly and without expectation of any return to bring the traffic safety message to as many of their fellow citizens as will listen.

I would like at this juncture to pay heartfelt tribute to the men and women who are members of the 81 local safety councils now organized and operating at the grass-roots level in communities large and small throughout the province for their extremely effective work in helping to make the people of Ontario more safety conscious.

This is voluntary community service of the highest order and I would like on behalf of all hon. members of this House to express our deep and sincere appreciation for their excellent co-operation. It is true to say that without the help of the local safety councils, our field men would be unable to make any headway at all in the never-ending battle to reduce the tragic accident toll.

To focus attention on the work of community safety organizations and to develop public support for their efforts a series of regional highway safety conferences is being planned to take place at various locations in the province during the next fiscal year.

The objective of this programme will be to bring together a representative group of leading citizens in the western, north-western,

north-eastern and eastern parts of the province to discuss the motor vehicle accident problem and to recommend measures for preventing such accidents more effectively in the future.

You will recall that province-wide highway safety conferences have been held annually at one central location here in Toronto during recent years. This year we are planning to organize a series of regional road safety workshops to serve the people in the four main geographical areas of Ontario. It is our sincere hope that these meetings will attract many new supporters for the cause of traffic accident prevention.

Another phase of our highway safety programme which is generating a good deal of interest is that which concerns itself with developing assistance among women's organizations. Our director of women's activities, Mrs. Ethel McLellan, is in constant contact with women's groups at the national, provincial and local levels to encourage them to undertake traffic safety projects. Her traffic safety programme for pre-school children in nursery schools and kindergartens has been particularly effective and has won broad and wide acceptance among educators, parents and children alike. In addition to supplying kits of materials to nursery schools and kindergartens in Ontario free of charge, these kits have been sold at cost in considerable quantities to interested groups and individuals all over Canada and the United States.

Another important activity for which the department is responsible is the highway safety advertising and publicity programme of the Ontario government. This is an intensive and continuous attempt to persuade our fellow citizens to observe the basic rules of traffic safety and to exercise care, courtesy and consideration for others, both as motorists and pedestrians.

During the next fiscal year, a carefully co-ordinated series of public announcements will be broadcast using every suitable medium of public information, including daily and weekly newspapers, radio and television stations, outdoor billboards, and farm and foreign language publications.

In addition, a continuous flow of highway safety material, suitable for editorial use in the press and on radio and television, will be maintained.

The department will also place a number of displays in exhibitions, conferences, conventions and other public gatherings. These include the Canadian National Exhibition

here in Toronto, the Central Canada Exhibition in Ottawa, and the Western Ontario Fair in London. In addition, the department's mobile traffic safety centre will be on display at county fairs and exhibitions at numerous locations in various areas. The centre consists of a 38-foot all-aluminum trailer in which portable display units are installed. One side of the trailer opens up to form a stage and a covering canopy. As a result of an article on our display trailer which appeared in a prominent periodical in the traffic safety field published in the United States, we have received requests for the specifications of this unit from the New York City Police Department and the Superintendent of Traffic in Hong Kong.

Personnel of the highway safety branch are also actively engaged in promoting driver instruction in our secondary schools. To date there are some 57 schools giving courses with a number of others giving consideration to starting courses this year. These personnel also appear on radio and television, give talks to boards of education, local councils, service clubs, safety councils and other organizations interested in promoting safety.

At this time, Mr. Chairman, I should like to bring to the attention of the hon. members four organizations which are co-operating actively with this department in the field of traffic accident prevention, and I should like to commend them here for the fine work they are doing.

The Ontario Motor League is a fine example of a non-profit organization which has been serving Ontario motorists for 50 years. Their present membership amounts to some 250,000 and is increasing at the rate of 5,000 new members each month.

The Canadian Highway Safety Council is the co-ordinating body for all of Canada. The Department of Transport assists this association and council with a grant of \$10,000 every year, and lends further assistance with personnel serving on various advisory committees.

The Ontario Traffic Conference, to which we give a grant of \$5,000 a year, consists of a body of experts in traffic engineering, and of police, dedicated to the safe movement of traffic on our streets and highways. Department personnel again assist in an advisory capacity on committees.

And finally the Ontario Safety League, another non-profit organization engaged in all fields of safety and particularly in highway safety. This organization pioneered

driver instruction in secondary schools and the "Elmer, the Safety Elephant" programme in primary schools. The Ontario Safety League receives a grant of \$15,000 to further their important work.

Organizations such as these, and there are others, are to be commended for their excellent work and co-operation with The Department of Transport and the government.

Mr. Chairman, the "safe road" constitutes the second area of attack on the prevention of traffic accidents, and is an area that largely comes under The Department of Highways. That department has been and is certainly putting considerable effort into the "safe road" by continually improving highways, removing bad curves and obstructions and otherwise making our roads safer for the motorist.

At this time I should like to commend the hon. Minister of Highways (Mr. Goodfellow), my colleague, for the efforts of his department by way of design and construction to make our highways safe and to express our appreciation also for the excellent maintenance—both winter and summer—which The Department of Highways has provided for Ontario's highways. There can be little doubt that these efforts are not only of great assistance to my department in the field of highway safety, but have a direct relationship with accident prevention.

Now, Mr. Chairman, with respect to vehicle inspection, The Department of Transport maintains a staff of vehicle inspectors whose main duties consist of the administration and enforcement of The Public Vehicles Act, Public Commercial Vehicles Act, Motor Vehicle Transport Act—which relates to extra-provincial motor vehicle transport—and other sections of The Highway Traffic Act.

These inspectors operate the highway weigh scales located on the main arteries of commercial transportation and portable scale units, where no permanent weigh scales are located. At these points a careful check is made of commercial vehicles to ensure that they are operating at gross weights within the authority granted them. Bills of lading are also carefully checked as are loads for violation of the Act and regulations applicable to them. In addition, special investigations are carried out as required and school buses are examined for mechanical fitness at least twice a year. With the recent regulations respecting school buses, made under The Highway Traffic Act, examinations are becoming more exact

as are the requests for information from both operators and school boards alike.

During 1961 a total of 1,035,373 vehicles were examined by our department throughout the province. In the interests of safety the department's inspectors inspect all school buses twice yearly, as I have said, for mechanical fitness. The examination entails the inspection of safety equipment which includes brakes, exterior and interior lighting, mirrors, heaters and defrosters, windshield wipers, tires, body-construction, emergency exits and push-out windows, fire extinguishers, axe or claw bars and the various signs which are required under the regulations. In addition, the chauffeur's licence of the school bus driver is inspected to ensure that he is the holder of a proper licence and qualified to operate the vehicle.

Our inspectors make it a point to observe, in their general patrol duties, the operation of school buses on the highways throughout the province to ensure proper operation of their equipment and the observance of safety regulations.

Now, these activities of our vehicle inspectors assist greatly to keep roads safe by ensuring that commercial vehicles operate within safe limits. At the same time, they are effective in assisting The Department of Highways to keep down its maintenance costs. Through traffic engineering the department is attempting to achieve improved traffic management throughout Ontario municipalities. To do this, assistance is given to the municipalities in the planning of traffic control in their communities in order to give them the safest possible traffic system.

Our traffic engineers also make a careful scrutiny of all municipal by-laws concerning the control of traffic, which must be submitted to the department for approval, to ensure that the uniformity of local traffic regulations is maintained. Uniform traffic regulations throughout the province are essential to the achievement of the "safe road."

Now with respect to "built-in safety"—if I may use that phrase: Since the dawn of the century and the advent of the motor vehicle—which was to become a prime mover of people and goods today—considerable advances have been made in producing "the safe vehicle." Although technological progress in years to come will improve even further the built-in safety features on motor vehicles, today our motor vehicles may be considered considerably safer than those of 50 years ago, or even 10 years ago.

These advances in the field of the "safe

vehicle" have been brought about by the ingenuity of the automobile manufacturers—with legislation to force them—and I feel they should be highly commended for their achievements. And if I may, I should like to mention a few of these advances.

The introduction of four-wheel brakes for added safety—then the hydraulic and air-brake systems, to say nothing of the power brakes of today. Better steering mechanisms have been developed, including power-assisted steering. More impact-absorbent bodies have been developed which collapse, thus reducing the impact force on occupants. Numerous other safety features are included on the new vehicles, including padded dashboards and sun visors, dished steering wheels, pop-out windshields with safety glass, seat belts and improvement in lighting systems, to mention a few.

The automobile manufacturers are to be commended, as I say, for their efforts in trying to produce and achieve the "safe vehicle."

However, given the finest of vehicles with every conceivable safety device, unless the vehicle is looked after and maintained properly, it will deteriorate, and eventually may become a menace to its driver and other users of the road. Consequently, some provisions had to be made to ensure this did not happen.

When The Highway Traffic Act was drafted, and became the law in regard to the operation of motor vehicles, provisions were made whereby any police officer had the power to stop vehicles and inspect them if he felt they were unsafe. Then, if he was not satisfied with the condition of the vehicle he could order it to be taken off the road.

Over the years a great many vehicles have been so stopped and inspected and, where found unsafe, ordered removed from the road by our police officers.

We realize, Mr. Chairman, that there is a great need for concentrated effort in the field of the "safe vehicle," and now that the department has completed the establishment of the driver examination programme it is intended in the coming year to turn our attention to this important aspect of traffic accident prevention.

You will recall, Mr. Chairman, that two motor vehicle inspection lanes have been operated continuously by the department since 1958 at the Metro centre on the south side of Highway 401 near the Keele Street intersection. Here it is possible for any driver to take his car, truck or bus and receive a thorough and complete examination using

the best and most modern equipment available. The inspection is carried out by trained and experienced personnel in uniform and belonging to our permanent staff. They cover 38 points including wheel alignment, front end suspension, lighting and brakes. The whole procedure takes less than 10 minutes and is entirely free of charge.

When a vehicle completes the inspection successfully, an "approved" sticker is affixed to the windshield. If it fails to pass any of the tests, the driver is informed of the defect and is advised to have it repaired.

These lanes were planned as a pilot operation by the department to ascertain some information on the average condition of motor vehicles.

The results have been very satisfactory and much has been learned from their operation. In fact this experiment in the field of motor vehicle inspection has been so successful that we are planning to extend the service so that it will be available to motorists outside of the Metropolitan area.

Our estimates for the coming year include provision for the purchase of five mobile vehicle inspection units. Each unit will include the same equipment that is installed on a fixed and permanent basis in the inspection centre at Highway 401 and Keele Street: that is a wheel alignment tester, a brake tester, a headlight tester and a hoist to permit the examination of front end and suspensions. The only difference will be that the equipment is portable and capable of being transported in trailers from place to place.

These mobile units will be allotted to western, central, eastern and northern areas respectively with one being held in reserve to meet unforeseen demands. Their method of operation will be roughly along these lines. Each of our four regional accident prevention organizers will contact the authorities in the larger communities in their areas to determine those that are interested in setting up a vehicle safety-check lane on a voluntary basis. In those communities wishing to adopt the programme, our APO's, as we call them, will help establish a committee to organize the activity and to obtain the necessary local co-operation.

They will also get in touch with local safety councils, service clubs, police departments, automobile clubs, chambers of commerce, and other community-minded groups to enlist their assistance and support. Arrangements will then be made to have one of the mobile units sent to each community on a rotational basis for periods of one to three

weeks, depending on the local vehicle population. Each unit will be accompanied by a trained and experienced inspector from our vehicle inspection branch who will be responsible for supervising the safety-check lane and issuing the official seal of approval to those vehicles that pass the tests satisfactorily.

The department will assist communities in conducting local vehicle safety check programmes but it is expected that most of the advertising and publicity will be arranged under local auspices.

We have made preliminary inquiries to find out what sort of reception this programme is likely to get from the municipalities and I am happy to say that in every case the response has been most enthusiastic. It appears that the vehicle safety check service will find a real need at the community level throughout the province.

Now, earlier today, Mr. Chairman, I made some references to the sale of licences and permits, and to the group of uninsured owners. That statement has direct reference to the question of the present so-called unsatisfied judgment fund, and I am pleased to report, Mr. Chairman, that the unsatisfied judgment fund continues in a sound financial condition.

It is estimated that payments out for the year ending March 31 next will amount to \$2,800,000. Since the inception of the fund in 1947 some 10,000 innocent victims of motor vehicle accidents have received payments from the fund totalling over \$23 million. Almost \$2 million was paid to unfortunate victims of hit-and-run drivers. Despite these large payments out of the fund there is still a surplus in excess of \$7 million.

As you are aware, Mr. Chairman, the select committee on automobile insurance in their second interim report to this House recommended a number of amendments to the present legislation dealing with the fund. Within a few days legislation will be introduced to implement many of these recommendations.

One of the recommendations was that the fee payable by the uninsured be raised to some \$20, and I have already dealt with the present status of that situation as my department officials inform me as of yesterday.

With respect to licences and permits, The Department of Transport has some 260 agency offices strategically located throughout the province where motor vehicle permits and drivers' licences are issued. There are also five offices manned by department personnel, including the main office in the east block.

The main or central issuing office was completely remodelled last year. New lights were installed and facilities improved to give faster and better service to the public. With the exception of a few days at the first of the year and just before the renewal deadline in March when line-ups may be necessary to handle the crowds, the office can issue documents very quickly and the public can be in and out in a matter of minutes.

One reason for a central issuing office is that certain classes of permits and licences, such as PCV and other types, cannot be issued at branch offices. In addition all duplicate permits and licences must be issued there since these require checking against central files.

Mr. Chairman, as you will see from the information before you concerning The Department of Transport's estimates for the fiscal year 1962-1963, I am asking for \$5,822,000 for the coming year, some \$647,000 more than for 1961-1962. This represents an increase of some 12.5 per cent.

The most of this increase is required to expand the facilities of the department's vehicle inspection programme as I have already mentioned, and in addition to commence the installation of the proposed mechanization of licence issuing. Preliminary studies and work on this project have been completed and we are now ready to proceed with the first part of the changeover.

Completion of the programme is planned so that it will be possible to issue drivers' licences by machine, starting in 1964 if that is so desired. At this time it will be possible to commence the department's planned re-examination of drivers periodically when the renewal of their licences becomes due, if that is so desired.

During the coming year The Department of Transport will continue to fulfil the role that it was given when it was established in 1957—to ensure the safe and smooth flow of traffic on Ontario's streets and highways by every means at its disposal. I should like to say, Mr. Chairman, that our problems will not be easily surmounted and that the task before me and my department is very great.

Today we have some 2 million registered motor vehicles in Ontario; we have 2.3 million licensed drivers. These represent some 40 per cent of all the vehicles and drivers in the whole of the Dominion of Canada. If the vehicles registered in this province were placed end to end they would make two and a half lines between Toronto and Vancouver. To this vast number of indigenous vehicles have to be added some 6 million visiting vehicles per year.

The experts tell us that by 1970 the number of vehicles in Ontario will have increased to nearly 3.5 million, and by 1980 it will be over 4 million with a corresponding increase in the number of licensed drivers.

We have a tremendous job ahead of us, not only in the coming year but in each successive year. However, Mr. Chairman, I and the staff of The Ontario Department of Transport are dedicated to our role and we shall relentlessly continue our efforts to fulfil our obligation to make our streets and highways even safer through the safe driver, the safe road and the safe vehicle.

Mr. Chairman, in concluding my remarks, may I express my personal appreciation as Minister of Transport to those of my staff throughout the department, and including the members and staff of the Ontario Highway Transport Board, may I express my appreciation as Minister to them, who have worked diligently and faithfully throughout the past year.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I could not help but think of the cartoon that I heard about when the hon. Minister mentioned that if the vehicles registered in Ontario were placed end to end they would form two and a half lines between Toronto and Vancouver. I hope it will not be the case as in the cartoon where it said that if this happened some fool would turn out and try to go past them.

Mr. Chairman, in rising to make my remarks at this time, I suppose one must be cognizant of the fact that we are all engaged in political endeavours. It is always a temptation to be political in one's observances of the estimates. To admit that one's views were tempered by political thoughts would I am sure be an honest admission for any hon. member of this House. To deny that one's views were influenced by his political leaning would not in my opinion be quite true.

With this knowledge then, let me say that I am fully aware that there may be some on the benches opposite who are tempted to make remarks, such as the one from the hon. Minister of Mines (Mr. Wardrope) the other day, when he suggested that much of the information being sought from this side of the House during the estimates could be obtained privately, and that in seeking this information in public, hon. members of the Opposition were engaged in political speech-making.

Nevertheless, the strength of our government is dependent upon a conscientious Opposition, intent upon exposing the weak-

nesses of the government in power and, where necessary, ready and willing to offer a constructive alternative. With respect to the matter of material for criticism, the hon. Minister of this department has been very kind to hon. members of the Opposition. Since this department was founded some few years ago, there has been little in the programme that one could call imaginative or progressive. I do not suggest that no good has come from this Department of Transport, because I think there have been some programmes which have been worthwhile. On the other hand, I would say that most of the programme was suggested by the select committee on highway safety, which recommended the establishment of a safety department.

Generally speaking, the history of The Department of Transport is that they have simply provided the administrative machinery to carry out part of the programme as suggested by the select committee which spawned it into existence in the first place, and thereafter to remain void of any further leadership in attacking a problem of vital concern to every man, woman and child in the province of Ontario.

There could very well be positive and concrete reasons for this state of inertia on the part of the hon. Minister (Mr. Rowntree) and his department. One would think that if the government viewed this matter of safety in Ontario to be as challenging as stated by the hon. Minister without Portfolio from Kingston (Mr. Nickle) in his introduction of the report of the select committee on highway safety, that they would leave a responsible Minister with the department long enough to at least familiarize himself with the staff.

I suggest to hon. members that the game of musical chairs which when applied to hon. members of the Cabinet in the province of Ontario can only work to the detriment of the people themselves. And surely the people are paying enough in the taxes that are being extracted from them to deserve something better than this.

There is the matter of overlapping responsibilities so necessary if we are to prevent these accidents, death and injury, which was suggested as the chief concern of the department. If a programme is to be effective, it must of necessity receive the utmost of co-operation from other departments, such as that of the hon. Attorney-General (Mr. Roberts), the hon. Minister of Education (Mr. Robarts), and The Department of Highways. And while the personnel of the present government is divided into several camps, as

indicated by the bizarre-like contest which took place during the leadership convention of that party, how could anyone doubt that this type of co-operation so necessary would be extremely difficult for any hon. Minister to obtain?

Hon. Mr. Robarts: Beginning of the politics here.

Mr. R. C. Edwards: Mr. Chairman, the hon. Prime Minister has suggested that this might be the beginning of the politics. And so, lest there be any doubt that I am being political, I should like to prove the statement which I have just made. To do that it will be necessary for me to quote from an article which appeared in the *Windsor Star* on April 17, 1961 and which deals, I believe, with the only really effective programme which has come from this Department of Transport. I speak of the programme of examination to ensure that the drivers of vehicles in this province are qualified to retain that privilege, and I would like to quote from the remarks as reported by the hon. Attorney-General of this province.

Hon. members may recall that I spoke of co-operation. I should like to read this and ask hon. members to judge for themselves whether or not this is a case of co-operation or a case of too many cooks trying to spoil the broth. It is not my intention to read the article in full but I shall read it in part. It is entitled "Probation for Drivers?"

ATTORNEY-GENERAL URGES LENIENCY

Development of a probation system in driving cars where licences would normally be suspended was advocated by hon. A. Kelso Roberts, QC, Attorney-General of Ontario.

I go down further and read of the suggestion from the hon. Attorney-General:

A probation officer assigned to such a case could help determine under what conditions his licence might be restored under restrictions as to use and under the proper supervision and control. In this way, if he is dealing with a normal and penitent type of individual, I would expect at the end of a period of probation we would have a better driver than we could possibly expect under return to driving after complete suspension involving in addition to probation to drive supplementary problems of earning a living and maintenance.

Now, Mr. Chairman, on one hand we have established in Ontario a demerit point system

which the hon. Minister of Transport (Mr. Rowntree) has told us this afternoon is one that is the envy throughout the continent. On the other hand, we have the hon. Attorney-General (Mr. Roberts) going around making speeches, suggesting it be changed so that the effectiveness of the programme can be destroyed before it has even had an opportunity to prove itself.

Now I think that statement is a fair one in view of the fact, Mr. Chairman, that we were told in this House last year by the hon. Minister of Transport that they had not even had an opportunity at that time to assess the effectiveness of this programme. And I think it demonstrates, better than any words that I could utter, the lack of co-operation which exists between the various departments to make The Department of Transport function as it should and as it was intended by the select committee.

Hon. Mr. Rowntree: The hon. member is talking as though these were the estimates of another department. These are the estimates of The Department of Transport and I will take the responsibility for what goes on in my department.

As we bring in our legislation probably in the next few days—it does not come in until this stage of the session because all of our amendments largely come under one Act and have to be concluded before it is advanced—hon. members opposite will see what our legislative programme is, and will be delighted. Now I will be surprised if they are not applauding us.

But on the question of perfection, nobody on this side of the House—and let this be recorded, once and for all—pretends for one moment to be perfect, but we are striving to do the best job we can and striving towards perfection and that is what we are trying to do.

Mr. R. C. Edwards: As I pointed out to the hon. Minister of Transport at the beginning, we also have a duty on this side of the House, and we shall endeavour to perform that duty to the best of our ability in accordance with the strength and wisdom that is endowed within us.

Since the hon. Minister has risen to protest the statement that I have just made, I am led to wonder whether or not he is in agreement with the hon. Attorney-General (Mr. Roberts). Whether he is or not I think the clipping that I have just read substantiates the statement that I made in the first place, that the department is hindered because of

the lack of co-operation which exists within the departments.

Mr. Chairman, it is not my responsibility to pinpoint the reason for failure of the department to accomplish the goals which were set for it in the first place. It is my responsibility to point out that The Department of Transport has indeed failed in those objectives. I was very disappointed to hear the admission this afternoon, Mr. Chairman, with respect to the increase in fatalities in this province. On one hand the hon. Minister says it is the greatest year of accomplishment, and on the other hand he tells us that the fatalities are higher than they have ever been in the history of Ontario.

When one considers the statements which were made some two years ago by the then hon. Minister of Transport (Mr. Yaremko) in which he stated that the matter of safety of our people accounted for some 67 per cent of the budget and that this was the principal concern of The Department of Transport, I do not see how the hon. Minister of Transport (Mr. Rowntree) can come to us this afternoon, report to us that we have an increase in the number of fatalities and at the same time call it our greatest year of accomplishment. It leads me to wonder, Mr. Chairman, if the remarks this afternoon are not just so much "window dressing."

I suggest to you, Mr. Chairman, that it has become the principle of our society that if one fails to carry out the responsibilities with which he is charged, then it is the responsibility of that person or organization to go.

An hon. member: Right! Been there too long.

Mr. R. C. Edwards: Perhaps, Mr. Chairman, we might decide here that this is indeed a situation where we might follow the advice of the Gordon commission on the organization of government in Ontario, which was widely acclaimed by the then hon. Prime Minister (Mr. Frost) upon its release some two years ago and which, for some peculiar reason, is not so often quoted by my hon. friends opposite at the present time.

An hon. member: A fine fellow!

Mr. R. C. Edwards: Let me quote to hon. members from the second paragraph of this report on page 39:

We believe the government of Ontario might function more smoothly and easily with fewer departments than there are at present and if the temptation to create new ones is resisted as much as possible.

The past 15 years have brought an especially rapid growth in government services and though the pace may change the trend is quite likely to continue. In the course of it occasions will arise when new functions are being undertaken by the department organization and these functions may have no apparent connection with existing departments.

The establishment of additional new departments may thus occasionally be unavoidable. But if this is so every consideration should be given to the possibility of merging two or more of the then existing departments and thus avoiding an increase in the total number of departments.

We believe that there might be advantages gained by consolidation of the work of government within somewhat fewer departments than the present number.

Mr. Chairman, let me stop here long enough to say that I believe that The Department of Transport, when it was constituted, was in the form of an experiment. I think that the department has now had the opportunity to demonstrate that it has been no more effective than if these various programmes were carried out within the walls of the departments of government which already existed. I suggest that there is nothing being done by The Department of Transport that could not be done within either The Department of the Attorney-General, who then might not go around contradicting the hon. Minister of Transport, or within The Department of Highways or the other department within which the duties apply.

I might stop here to state that I know that there probably are those in the benches opposite who will disagree with the predictions of my hon. friend from Bruce (Mr. Whicher) in his criticism of the budget yesterday with respect to the alarming rate at which this province is going into debt. Whether or not hon. members disagree with those remarks, I suggest to the hon. members of this House today that time will substantiate that the trends which were predicted by my hon. friend will in fact be so. I think that if this is going to happen there is a responsibility right now and here to start cutting down on the expense of government; I think that this is one place it can be done without affecting the results which are—

Hon. J. N. Allan (Provincial Treasurer): Would the hon. member permit a question?

I am wondering, Mr. Chairman, how the hon. member can be sincere in the statement that he is making now and at the same time

support a policy of reducing the revenue of the province by exempting all purchases up to \$25 from sales tax.

Mr. R. C. Edwards: I might throw back the remark that came from the other side of the House when I started these remarks and ask who is getting political now?

If the hon. Provincial Treasurer (Mr. Allan) is sincere in his remarks, I suggest that he have his experts get together with our experts and we will iron this thing out and find out whether it works.

An hon. member: He is right!

Mr. R. C. Edwards: Thank you. Mr. Chairman, in dealing with this subject let me make it abundantly clear that I believe that this goal could be accomplished in an orderly manner without the possibility of leaving the personnel of the department without jobs, with the possible exception of the hon. Minister himself who, after all, would still be entitled to draw a stipend as a member of this House. If the reduction were too steep I suppose the hon. Prime Minister (Mr. Robarts) might add him to the hon. Ministers without Portfolio with at least some saving to the taxpayer.

Hon. Mr. Rowntree: I hope there is nothing personal about this.

An hon. member: Maybe they will make him the Attorney-General.

Mr. R. C. Edwards: If the government were to announce a reduction in the number of unnecessary departments, the people in these departments could be absorbed into other departments under normal expansion increases so that there would be a saving to the people of this province, who are paying these taxes, without undue hardship to the personnel who staff the departments at the present time.

Let me attempt to show you, Mr. Chairman, some of the reasons why I believe this department has broken faith with the Legislature and the committee which suggested its existence in the first place.

Would hon. members not think if one wanted to determine the degree of usefulness of any organization that one of the best places to examine the records would be in the annual report of its manager? Can hon. members imagine, for instance, the president of the Royal Bank of Canada going to the directors or the shareholders at a meeting and providing an accounting for his stewardship in the form of a report that is

over a year old? Can hon. members comprehend the reaction of the directors? Yet at this time, we are given the estimates for consideration and the latest annual report of the hon. Minister of this department is for the year ending March 31, 1960. This is the latest report given to hon. members as of this date—nearly two years later.

An hon. member: Shame!

Mr. R. C. Edwards: We are asked to judge the efficiency of this department and to vote money for the year ending March 31, 1963, without even the annual statistical report entitled, Acts and Facts, 1961, to judge for ourselves whether or not the expenditures in the preceeding year has been effective.

Now, Mr. Chairman, this is something that has somewhat amazed me since I have come to this House. I cannot for the life of me understand why it would be necessary for the Minister of a department, if it was administering smoothly, to take well over one year after the end of activities and to be presenting the estimates two or three years hence, without even publishing the annual report for that year. It seems to me unreasonable to suggest that the hon. members of this House can honestly deal with the problems, if they consider these problems to be serious, without being given some kind of a report on the activities of the past. Is it any wonder, Mr. Chairman, that we feel that the administration leaves something to be desired. The hon. Prime Minister indicated to this House earlier that traditionally the opportunity was accorded the Opposition to inquire into the operations of the various departments of government during the debate on the estimates. If we think about these things, a report of the findings of the motor vehicle research committee on noise was submitted to the hon. Minister on November 15, 1961, yet it was not released to the hon. members of this Legislature until the last day of sitting of this House, just prior to the presentation or the time of debating the estimates.

Mr. Chairman, in my opinion this is not due to the pressure of work in the department. It is a deliberately calculated attempt to hinder the members of the Opposition in attempting to discuss the conclusions of that report. How can we be expected, in an intelligible manner, to discuss the conclusions of that report which could very conceivably have an effect on these estimates when the hon. Minister deliberately withholds it from the hon. members until just before the presentation of the estimates? How, in the name

of reason, can we be expected to read a 60 page report, to dwell on it, to think about it and form any conclusion, if that is all the notice we are given?

I would be very pleased to have the hon. Prime Minister answer.

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, this report was not withheld for the purpose that the hon. member attempts to put on it. I can only point out to him that in the case of very many legislative reports that have come in here, upon request they have been put on the order paper for debate. If he feels strongly about this report and he wants to discuss it here, there is no attempt on the part of the government to muzzle discussion on any point in this House and I do not think he can, in all fairness, say there ever has been.

Mr. K. Bryden (Woodbine): Half the time these items do not get debated, though.

Hon. Mr. Robarts: I have yet to know of any report that the Opposition asked to have debated in this House that was not put on the order paper and given a full thorough airing in discussion here in the House. Now, if this is what the hon. member wants, he might ask the hon. leader of the Opposition (Mr. Wintermeyer) to ask me and I will arrange it.

Mr. R. C. Edwards: Mr. Chairman, I at least thank the hon. Prime Minister (Mr. Robarts) for suggesting that we will have the opportunity to debate it if we so wish. The point I am trying to make is that we are, today, debating the estimates of The Department of Transport. When these estimates are completed and passed, that is the last opportunity we will have to make any recommendations to the estimates for the forthcoming year. I do not know whether or not this report will have any bearing on our thinking. I am merely trying to point out to the hon. Prime Minister that we have not had the opportunity to determine whether or not it will have any effect, and I think it is unfair.

Hon. Mr. Rowntree: Mr. Chairman, let me assure the hon. member that there is nothing in that report of the noise research committee that will have any bearing on our estimates. It is a subject that will require a full debate in the House and we look forward to that at an appropriate time.

The report was received by me in November, a day or so after the date it bears in typewritten form, and after I had read it I

ordered it printed. That was delivered and subsequently distributed to the House.

Mr. R. C. Edwards: Mr. Chairman, before—

Hon. Mr. Rowntree: The hon. member's suggestions just do not fit or lie right. That is just not my nature, Mr. Chairman, to do that sort of thing.

Mr. R. C. Edwards: Mr. Chairman, I did not quite catch the remarks. If he suggested that I suggested that he was lying—

Hon. Mr. Rowntree: No, I did not say that. I certainly did not.

An hon. member: Lying down on the job.

Mr. R. C. Edwards: But while we are on the subject and since my remarks have been interrupted this far—

Hon. Mr. Rowntree: It did not lie right.

Mr. R. C. Edwards: Since my remarks have been interrupted this far, I wonder if the hon. Minister would tell me why we have not received his annual report for the year ending March 31, 1961?

Hon. Mr. Rowntree: Well, if the hon. member would like an honest answer, I think he has got a good point.

Mr. R. C. Edwards: I commend the hon. Minister for his honesty, and I wish to serve notice on the hon. Prime Minister (Mr. Robarts) now that I intend to raise this question of every other hon. Minister whose estimates are presented prior to the filing of his report, because I think that this is the one place where members of the Opposition—if they wish to take the time to study—have the opportunity of finding out just what does go on within the department.

Hon. Mr. Robarts: May I say, just while we are straightening up the general points of government policy, that this whole question of ministerial reports has been discussed and debated in the committee that is sitting on the organization of government, and I can assure the hon. member that a big effort is being made in every department to have the annual report available before the submission of the estimates. With pardonable pride I should say that the report of the Minister of Education (Mr. Robarts) was filed last week and the hon. members will have ample time to look that over before we deal with the estimates.

Mr. D. C. MacDonald (York South): For which year?

Hon. Mr. Robarts: For the most recent year for which we have statistics available. But this is the point that I am coming to; it is not always possible to compile all the information that goes into one of these reports in time to have it in here to suit the convenience of the hon. members of the Opposition and to fit the time-tabling of the business of the House. In some instances it is possible and in some instances it is less possible, but I can assure the hon. members that every effort is being made to do that.

Mr. R. C. Edwards: Mr Chairman, I think we should make it clear that we are not asking the hon. Minister necessarily to meet our convenience, but at the same time I think we are entitled to this information if we are going to debate it intelligently

Mr. Chairman, notwithstanding the very frank comments of the hon. Minister, I think I still must say that up until this time the accounting which has been given to us leaves something to be desired, and it is my hope that, when the hon. Prime Minister follows my suggestions and absorbs this department into the various departments where they belong, he will keep the hon. Minister in mind for the next portfolio that comes open.

Let me continue with my criticism of the department. I was quite—perhaps it was a fair statement, I thought it was a sort of profound statement in the hon. Minister's remarks this afternoon when he suggested that every citizen was either a motorist or a pedestrian. I think that is a fair statement, and I should like to talk a little bit—

Hon. Mr. Rowntree: That is just plain talk.

Mr. R. C. Edwards: I should like to talk a little bit about the matter of crosswalk legislation which in my opinion is a matter of serious concern to the motorists of the province as well as the pedestrians. In this direction, Mr. Chairman, the government is completely responsible for the frustration of the municipalities and for the lack of permissive legislation which exists in Ontario.

The position taken by the government—as exposed by the hon. Minister of Transport (Mr. Yaremko) on January 29, 1960, in this House—indicates that they feel that the responsibility to enact pedestrian crosswalk legislation is that of the municipality. This position in my opinion is a very dangerous one, leading to confusion and frustration of the people of Ontario. This situation has produced a present state of controversy which presently exists because a city such as the

city of Hamilton feels that they have a pedestrian by-law which will, in their opinion, be more effective than the one in the city of Toronto, and where The Department of Transport in turn tells the city of Hamilton that unless the by-law for Hamilton is the same as the one in Toronto they cannot put it into operation.

However, Mr. Chairman, because the department itself is not very sure what they want, the door is left open to Hamilton when delegations are advised that the matter may be reconsidered by the department after a period of time. It is my opinion, Mr. Chairman, that these laws should emanate from The Department of Transport and not a particular municipality. What sense does it make, sir, to suggest that a person driving from a place like Grimsby, for instance, has to conform to special laws of the road in a city such as Hamilton because of a peculiar by-law that might be passed by that council? Let me attempt to illustrate this point.

I understand that the pedestrian by-law which exists in the city of Toronto has recently been granted permission for an amendment making it illegal to pass another vehicle within 100 feet of that crosswalk. Now, I ask you and I ask the hon. Minister of Transport (Mr. Rowntree) how a person, outside of the city of Toronto, would have any knowledge that such was the law of the land while driving in the city of Toronto. And I suggest to the hon. Minister that it might make just as much sense, if we are going to have peculiar by-laws which are related to one municipality and not another, to suggest that they might pick whichever side of the road they wanted to drive on.

Now, I would like to make this point clear: I am not suggesting to the hon. Minister at the present time that I feel it is his responsibility to force every community in Ontario to pass a pedestrian by-law. But I am suggesting that any pedestrian laws which are passed should emanate from this department and could be printed then in The Highway Traffic Act, or printed somewhere, so that all of the people in the province would have some knowledge of the laws which exist in another municipality.

I think following the policy which has been followed by this department with respect to this pedestrian by-law has only resulted in confusion and frustration to the municipalities and I think that it may be responsible for some of the accidents which could have been prevented if the people coming from surrounding municipalities had had a knowledge of the law in the first place.

Hon. W. M. Nickle (Minister without Portfolio): Why does the hon. member say this?

Mr. R. C. Edwards: The hon. Minister without Portfolio asks me why I say this. I thought I had made it clear but let me say this to him: if he was coming from a city such as Kingston—I presume they do not have a pedestrian by-law there—how would he know when he arrived in the city of Toronto that it was illegal to pass another vehicle within 100 feet of a crosswalk? Perhaps the hon. Minister would answer me that.

Hon. Mr. Nickle: I know this: under The Highway Traffic Act, where a motor vehicle hits a pedestrian the onus is on the operator of the car to prove that he was not negligent. Now I am not that stupid nor am I that naive and I assume—and the man on the hon. member's left will tell him it is good law—there is an onus and you are presumed to know the law. And the law is that where a motor vehicle hits a pedestrian he has to prove he was not negligent, it is not on the pedestrian. And the crosswalk is only one more step in relation to pedestrian safety, but the onus section to me is paramount and I think that is something the hon. member has missed.

Mr. R. C. Edwards: I think the hon. Minister without Portfolio is entirely correct, but let me again state my interpretation of the law in Toronto, not as I have seen it from anything emanating from The Department of Transport but as I read it in a news section of the press. My understanding is that it is illegal to pass another vehicle within 100 feet of a crosswalk, whether or not you strike a pedestrian. I wonder if that is correct?

Hon. Mr. Rowntree: It is a breach of The Highway Traffic Act to pass another vehicle within 100 feet of a crosswalk. The onus never shifts in relation to an accident.

Mr. R. C. Edwards: Well, Mr. Chairman, if it were in the Act, then I as an outsider would know that wherever I came across a crosswalk it would be illegal for me to pass another vehicle in that section and I would not be prosecuted for violating the law of which I had no opportunity to have knowledge.

Hon. Mr. Rowntree: Well, Mr. Chairman, might I just comment on that point? I will say at the outset that the entire subject of crosswalks is a very difficult one for everyone concerned, whether it be a municipal council, the motoring public, the group of

pedestrians or provincial authorities. The simple facts of the situation are these: The reason that municipal traffic by-laws are referred to The Department of Transport for approval before becoming effective is to try to achieve a high degree of uniformity of such legislation throughout the province.

Now here was the situation: The so-called Metro by-law originally was started on this principle in the town of Leaside and was adopted by Metro with certain variations. Now the system as presently in effect in Metro is in effect in some 16 other municipalities in Ontario and is working very well.

In addition to that, we have approvals from some 14 other municipalities who have indicated their support of that situation, and that indication without our solicitation, I might say.

Now the position was this, that in the city of Hamilton they wanted to adopt a crosswalk system which had certain variations—we do not need to go into them today because I hope that this subject will be referred to the committee on highway safety for some discussion there. But Hamilton wanted a system with some variations from Toronto's. And the position seemed to be that having in mind the highly built-up areas between Toronto and Hamilton and the immediate proximity of the city of Hamilton to Metro Toronto, that there was a very real question as to whether or not two opposing systems should exist in such proximity.

We had many delegations; we heard from the people at Metro and we heard from the people at Hamilton, but there was another group that we heard from, which some of the hon. members on the other side of the House support and that was the Ontario Traffic Conference—a very expert group of police chiefs and traffic experts who operate on specialized subjects and specialized matters and in that conference are representatives from Hamilton.

The Ontario Traffic Conference voted unanimously in support of the crosswalk system as presently in force in Metro Toronto as opposed to the Hamilton crosswalk system. Now, there is the situation. I am not saying that the Hamilton people are wrong; let me make my position clear. I am simply pointing out that, after the Ontario Traffic Conference indicated their unanimous approval—and I must say I think there were one or two abstentions from voting of those who were present, and I believe they also were people from Hamilton, but the point is they did not vote against the situation—in a few days they

had gone back to Hamilton and the matter was reopened. We received another delegation which was quite informative.

There is the situation. It is a question, Mr. Chairman, as to who is right. Who is to say who is right in a thing like this? We have to find some scheme whereby we will achieve some form of uniformity, and I mention that Toronto-Hamilton relationship because between Toronto and Hamilton along No. 2 highway, you go through a constant progression or succession of built-up municipalities. There is a perfect example of where uniformity of legislation is needed and is desirable.

We have not been sitting back ignoring this but we want to come up with something that meets the needs and the views, because there are able people in Hamilton who are knowledgeable on this subject and we recognize that. We probably will advance legislation, we will advance it from our department having to do with this subject. When our legislation comes up, this is one of the items that will be dealt with in some very great detail.

Mr. R. C. Edwards: Well, I want to thank the hon. Minister for helping me make my point. The point that I was trying to make was that the responsibility rests with The Department of Transport to ensure this uniformity he speaks of. And certainly there would be nothing to prohibit the hon. Minister from showing some leadership in this matter, and to prevent this controversy and frustration by simply passing a law in Ontario, defining a crosswalk and defining where it is legal to pass and where it is not legal to pass; in defining what shall be a crosswalk and then leaving it to the municipalities to determine whether or not they want to mark their crosswalks. Now the hon. Minister knows full well that this is done in New York State, he knows that this is what is done in the State of California and he knows that this is what is recommended by the very conference that he spoke about, which voted against a different type of by-law for Hamilton. May I say that I am in complete agreement with him. I am not suggesting that the Toronto by-law is or is not a good one, but quite frankly it is nerve-racking for an individual who drives from outside the municipality to come into Toronto and not know when he is within the law and when he is outside the law. I say the responsibility rests with The Department of Transport in not establishing some permissive legislation on the statute books in the first place so that everybody can be acquainted with the law as it is.

Hon. Mr. Rowntree: Let me just reply briefly to those observations. Who says that The Department of Transport did not recognize its responsibility? I have just finished telling him we are doing something about it. This is the session of the Legislature when matters of this kind are to be advanced. He is taking the position that we are doing nothing about it. He has not heard the legislative programme of The Department of Transport.

Mr. R. C. Edwards: Mr. Chairman, I am saying that the department has not done anything about it. They have known of this problem for three years, and at this late date they tell us they are going to do something. Now, I suggest that the responsibility was on The Department of Transport in the first instance, in not allowing municipalities to go around establishing by-laws here and there without putting the permissive legislation on the books so that there would be a guide for all the municipalities. It is all right to tell us that they are going to do something in the future. I am criticizing the hon. Minister, which I think is my duty and responsibility, for not having done it before. Certainly The Department of Transport has been in existence—

Hon. Mr. Rowntree: Well, I will have to rise and say very strongly that I do not think it is a very fair criticism of anybody, as this is the first legislative session following my own appointment. Believe me, when I said earlier today that this was a great year of accomplishment for this department, I really meant it. I am not just speaking for myself; I am telling you what the members of the public and the citizens of Ontario think of what is being done by The Department of Transport, and what they have told me.

Mr. R. C. Edwards: I would say to the hon. Minister that I am telling him what some of the citizens in my riding think of The Department of Transport so it is not all one-sided. If I might proceed, Mr. Chairman, I think that the hon. Minister made very well the point that I presented earlier when I stated that this game of musical chairs—in so far as the government is concerned—is not working in the best interests of the people of Ontario. It is unfortunate that he must be criticized for the sins of his hon. predecessor, but as long as he supports the government presently in power, and adopts this policy, I am afraid he has got to be tarred with the same brush.

Hon. Mr. Nickle: What is wrong with that?

Mr. E. W. Sopha (Sudbury): Well then, why did the hon. Minister quit if they are all such good pals?

Mr. R. C. Edwards: Let me say to the hon. Minister from Kingston (Mr. Nickle)—and I am going to be kind to him and not repeat the remarks in case the *Hansard* reporter did not get it—immediately he leaves the government benches opposite and returns to his law practice in Kingston, I am going to start supporting him instead of opposing him.

Hon. Mr. Nickle: Well, I will tell you what you can do. Send me down some business and I will give you a good rate.

Mr. R. C. Edwards: On page 1511 of *Hansard* for the year 1960, the former hon. Minister of Transport stated, and I quote:

Yes, accidents, deaths and injury are the chief concerns of the department.

and if, as quoted in the *Economic Survey* of 1961, the functions of the department are as stated on page 47:

The department is much concerned with one of the most serious problems of our time, the needless loss of life, health and property from motor vehicle accidents—

why has the department not done something with respect to leadership in this matter of pedestrian legislation? I suggest to the hon. Minister that a person is just as dead if killed in a city which does not have a by-law as he is if he is killed in one where there is a by-law and I suggest—

Hon. Mr. Rowntree: There is no argument about that.

Mr. R. C. Edwards: If these people opposite keep on, I am going to lose my page.

Hon. Mr. Grossman (Minister without Portfolio): Too bad the hon. member does not lose his speech.

Mr. R. C. Edwards: I may even reconsider my original submission; but I do not think, in the face of the record, even though I do, like the hon. gentlemen opposite, I can change my opinion.

Mr. MacDonald: Figure that out!

Mr. R. C. Edwards: Well, the hon. member for York South (Mr. MacDonald) is having trouble figuring it out, so I will repeat it. I think it is time to abolish The Department of Transport. Even he should be able to comprehend that.

If we consider another aspect of this matter of safety, Mr. Chairman, we should turn our attention to the ever increasing number of deaths which annually are attributed to accidents and which directly are created by the increased number of watercraft in Ontario. Now before someone interrupts me again to remind me that constitutionally this is a federal matter, let me remind the government that, generally speaking, these are Ontario people who are losing their lives. If the department is concerned about this matter, I will look forward to an explanation from the hon. Minister outlining what steps have been taken to deal with this problem.

Earlier I suggested, and it was a bit of a laughing matter at the time but I suggest it is not, that a person was just as dead if killed in one city as killed in another. I suggest to the hon. Minister that a person is just as dead killed in a water accident as they are if killed in a motor vehicle accident. If we are seriously concerned, as has been stated, with the loss of life and with the injury to our people, I suggest it is the responsibility of this department of the Ontario government to look into the matter. Mr. Chairman—

Hon. Mr. Rowntree: I think we had better correct the record at that point because he does not even know what has been going on. Now he has stated the point that the water operation, and so on, is a federal matter basically, but apart from that we in Ontario have a very great interest in what happens on the water, even though the various resort operators and hotel people and cottage resort groups cannot agree with the federal authorities as to what kind of licensing or control or safety legislation would be effective. In spite of that, I directed—I did not know it had happened, but it was after some conversations in our department—one entire issue of the *Safety Bulletin* published by our department was devoted to safety on the water last summer, in 1961. Another issue will be devoted to the subject this year, so that we can avoid a duplication of expenditure and use what forces and strengths we have to advance that side of safety.

Mr. R. C. Edwards: Mr. Chairman, on this issue I feel that this is a very serious matter. Originally in my comments I criticized the hon. Minister for not giving us reports. Now he tells me I do not know what is going on.

He did not say anything about it this afternoon. How would I know what is going on from the reports that are emanating from his department? The simple fact of the matter

is that they are treating this thing in too light a manner.

These are taxpayers' monies that are being expended and it is the responsibility of the hon. Minister of Transport to report to the members of this House and this is the traditional time for him to do it. He had the opportunity to make a statement and I did not hear him mention anything about what he was doing with respect to the matter of water safety.

Hon. Mr. Rowntree: Mr. Chairman, I think it is your duty to point out that this is most irregular, indeed. My duty is to answer the question, which I am now doing.

Mr. R. C. Edwards: Mr. Chairman, I am not going to be interrupted further. I am sorry sir. Mr. Chairman, I am not yielding my point.

Mr. Chairman: Order.

Mr. R. C. Edwards: I do not want to be unreasonable, any more than the hon. Minister does, but if he is going to continually interrupt me in my speech, he is going to distort the theme and I think it is improper. I have a responsibility here and I am endeavouring to fulfill that responsibility.

I am not here to blast the hon. Minister or in any way to personally criticize him as an individual, but I would remind the government that they are charged with a responsibility, and we are charged with a responsibility. We say that they are not living up to the responsibility that they are charged with, and we say that the department has failed, they have had five years as an experiment and they have not done the job and I think the remarks that the hon. Minister is making are amplifying that statement.

Hon. Mr. Rowntree: We just do not toot our horn enough, that is all.

Mr. R. C. Edwards: Mr. Chairman, the hon. Minister says he does not toot his horn enough. If we look at the advertising bills for this province I think they have been tooting their horn too much, and I think the taxpayers are becoming aware of it.

I criticized the hon. Minister of Travel and Publicity (Mr. Cathcart) who suggested that I should not have criticized some of his expenditures. There was one publication called *Ontario Government Services*, and if I remember correctly there are 110,000 copies of this report that go out every month. The hon. Minister will recall directly.

Hon. B. L. Cathcart (Minister of Travel and Publicity): What has this got to do with The Department of Transport?

Mr. R. C. Edwards: I will be pleased to tell the hon. Minister if he will sit down and listen. They are like jack-in-the-boxes over there. If the hon. Minister will recall, I suggested to him that that report was being used for promoting Tory personalities rather than a programme. The hon. Minister says he is not tooting his horn enough, and I suggest that if he will speak to the hon. gentleman on his left, perhaps he could send out a little notice to the people of Ontario on what he is doing in this matter of water safety. But at this point, if we take as any example the statements which have been made by prior Ministers of this department, they have informed the hon. members of this House that it was not their responsibility.

Mr. Chairman, I think that it might be as well, after I sit down, if the hon. Minister would stand up and just tell the House what is being done with respect to this matter of water safety. It seems to me that if he is going to get any action from the federal government his best opportunity is to act quickly, because he knows and I know there is going to be a change down there. He may not be so friendly with the next government, so he should operate now.

Mr. MacDonald: He may never get another chance.

Mr. R. C. Edwards: The hon. member for York South (Mr. MacDonald) says he may never get another chance.

You will recall, Mr. Chairman, that I told you I was going to endeavour to tell you the reasons why I thought that this department should be abolished. I am going to turn now to another phase of the responsibilities of The Department of Transport and I am going to read from page 293 of this textbook that I call the Gordon Report on the organization of government. It states as follows, quoting one of the functions of The Department of Transport:

The development of plans for taxing vehicles to provide funds for the construction and maintenance of roads.

I am led to wonder, Mr. Chairman, whether or not such is still the case. This is the third session of the present sitting of this Legislature and as far as I can determine nothing has been presented to this Legislature to indicate that any constant revision of

this matter of funds for an expanding highway programme has been considered by The Department of Transport. You would think that they would if they were fulfilling these functions for which they were set up, both under the terms of reference as established by the select committee which was the original beginning of The Department of Transport, as more fully set out in the Gordon Report, and I think if we turn again for another authority you will find the same thing in the responsibilities of the department under the Ontario economic and social aspects study of 1961, they would take some action.

Here we have a department which should be concerned with this very important matter. We have a sales tax which was presented last year, and which was made mention of by the hon. Provincial Treasurer (Mr. Allan) a few moments ago, when he tried to change the subject by suggesting that our plan would make the matter worse. Perhaps if the hon. Minister of Transport wanted to, he might tell us just what recommendations his department has made with respect to this matter, and more correctly, perhaps, if this is one of his functions, he might table it in the Legislature so that all hon. members could know what is happening.

It is very difficult with information that is available to hon. members of the Opposition to determine just whether or not the government is doing their job in the manner that they are supposed to.

I, for one, am becoming very concerned with the increasing number of reports that are being gathered with taxpayers' money, and then Ministers like the hon. Minister of Agriculture (Mr. Stewart) will come to this House and say this is a Minister's committee. Now, if he wants to take that responsibility on his own shoulders that is up to him, but if he is going to spend taxpayers' money and keep these reports to himself, then he can hardly wonder at being criticized, both by the taxpayers themselves and the Opposition representatives of the electorate, when he does not make this information public.

I am not able to study what has been completed since March 31, 1960, as I suggested, due to the lack of information from this department. One would think, however, that if these comprehensive studies are being undertaken that some form of conclusion would find its way into legislation in accordance with the functions of the department as set up.

Now let me deal with another point—and the hon. Minister made great mention of it

here and I think again he can be criticized. Recommendation No. 6 of the select committee on highway safety said as follows:

A standing committee on highway legislation to be appointed at each regular session of the Legislature.

Now it seems significant, Mr. Chairman, that if the hon. Minister really wanted to carry out the intent of this suggestion he would have thought it desirable to at least refer enough business to a committee which had been constituted to at least indicate the necessity of the Chairman calling a meeting. This session of the Legislature commenced on November 22, 1961, and yet some four months later there has been no cause for this committee to convene to consider this important matter of highway safety.

Now, if we consider, Mr. Chairman, that the government does view this matter as seriously as the publications indicate, and as the hon. Minister indicated in the introduction of the select committee report on safety in 1955, and as set out in the other publications, surely we would view this matter seriously enough while the hon. members are in session to at least call this committee into being and let them discuss some of these very important matters. Since this has not happened, I suggest that the department again has not fulfilled its duties in the manner in which it could be expected.

I should like the hon. Minister—if he would, some time—to advise the House with respect to recommendation No. 11 of the select committee report which dealt with the matter of safety advisory councils. If the department is devoid of ideas and suggestions, with respect to education or legislative matters dealing with safety, perhaps either of the two groups outlined in the select committee—that is, the committee of this House—could report to him and give him something for his use. Instead of forward action, the hon. members of this House today are again subject to the same stereotyped presentation of the estimates, indicating that we can look forward to little more in the forthcoming year than we have had in the past, and since the inception of the present session of this Legislature.

When we deal with this matter of safety, Mr. Chairman, as the hon. Minister has said, a citizen is either a pedestrian or a driver. I suggest to him that the matter which was introduced by my hon. leader in last year's debate—with respect to some kind of leadership in this matter of commuter trains, with bringing people into the cities—could have

been studied by the department and the hon. members advised as to the leadership that is being undertaken there. It makes me wonder how much money we are spending in our metropolitan areas to provide arterial roads to get the people there in their cars and then to provide parking lots for their cars once they are there, if another method could be found which would better take care of the situation.

I think it is the responsibility of the hon. Minister of Transport (Mr. Rowntree) either to tell us there is or there is not a better way. I cannot recall, during the session since I have been here, of any report of this nature coming from The Department of Transport.

If we are concerned with the movement of people, if we are seriously concerned about the accidents and deaths which are the result of this movement of people, perhaps we should be doing some studying in this direction to determine whether or not some better method could be found. I personally think that there could be. I subscribed to the suggestions of my leader last year when he indicated that the trains could be used to bring people to central depots so that they could move rapidly by rapid transportation into the centre of these metropolitan areas.

While I am dealing with this subject let me say this. I think that the manner of getting people into the metropolitan areas goes hand-in-hand with this matter of financing. For instance, I note that Highway 401, which originally was built as a by-pass for the city of Toronto, has now become an arterial route for the people themselves. This highway was built 100 per cent with provincial funds and yet it now is being used as an arterial route for the city dwellers.

Now, I think it is time we had a study. If we consider all these other expressways that are going through the cities we begin to wonder just whether or not there is any order in this matter of highway financing. I think that some leadership in this direction should be forthcoming from The Department of Transport. Since it has not been forthcoming I do not see any sense in prolonging it any longer, I think that this could come from the new department which will be in The Department of Highways after this reorganization is completed as I have suggested.

Let me deal for a few minutes with the matter—the hon. Minister is smiling at me and I do not think he has yet got the significance of my remarks.

Hon. Mr. Rowntree: I am worried to death about them.

Hon. M. B. Dymond (Minister of Health): They are even amusing to the hon. member.

Mr. R. C. Edwards: I did not hear the hon. Minister of Health but I am sure—

Hon. Mr. Dymond: I said, "They are even amusing to the hon. member"—I mean his own remarks.

Mr. R. C. Edwards: Thank you. I was just going to say, Mr. Chairman, I am sure these remarks would show the fine, congenial nature he always exhibits but I am led to wonder since I heard him a little better.

Mr. Sopha: Now the hon. Minister may return to his book.

Mr. R. C. Edwards: I think there is another matter of very serious significance to the people of Ontario. It is one complaint I have received during the past year more than any other and it deals with the matter of school bus legislation. I was very pleased to hear the hon. Minister tell us this afternoon that they now have a programme which requires school bus drivers to undergo examinations. This was suggested first from this side of the House and I am glad that they listen to us once in a while.

I am still concerned about the matter of The Highway Traffic Act as it relates to the movement of traffic when a school bus is stopped on the highway. It has been the attitude of The Department of Transport—and this is once when they did have a safety committee meeting and we were able to ascertain their feelings—that they did not wish to stop traffic coming in the opposite direction because this would result in further vehicle accidents.

I am not one that agrees with that thought, I believe that again our school bus legislation should be consistent. As I have stated before in this House most States below the border have a law which requires traffic to stop in both directions. There have been several coroners' juries reports, there has been a Hamilton magistrate, and there have been great numbers of citizens who I believe are dissatisfied with the present condition of our school bus legislation.

Let me illustrate the point for a moment, if I may, Mr. Chairman. I would like to ask the hon. members of this House who are seated here today how many of them

know when they are travelling on a highway whether or not they are in a built-up area?

I am ready and willing to confess that as I drive down the highway I do not know when I am in what is constituted as a legally built-up area and when I am not. Yet our school bus legislation states that other vehicles must stop outside of a municipality, outside of a city or town or built-up area. I protested this legislation in committee when it came forward. I would suggest that it is inadequate and it is creating confusion in the minds of the public. I suggest that it should be changed and I personally believe that traffic should stop in both directions so that this matter of school bus legislation becomes consistent with that of other municipalities. I was very critical—

Hon. Mr. Rowntree: If the hon. member would just wait until the legislative programme of the department is tabled, after we get the estimates through, he will just see how imaginative a programme we have got.

Mr. R. C. Edwards: I thank the hon. Minister for his imaginative programme but I would remind him that I suggested this some two years ago so that it really is not very imaginative on the department's part.

Mr. G. Bukator (Niagara Falls): The hon. members have finally come to their senses over there.

Mr. R. C. Edwards: Now, Mr. Chairman, I have to go back and find my notes and start over again because I was interrupted. I think in this respect the department has failed the people of Ontario in the manner in which this previous legislation was put forward. I am very pleased to hear the hon. Minister tell me this legislation is coming forward in some form or other, and I think this all the more amplifies the point that I have been trying to make this afternoon.

We are going to be asked in these estimates to budget a certain amount of money for advertising. At the time the last school bus legislation came into effect there was very little concentrated programme put forward in the way of advising the public that it had in fact become law. When I asked the hon. Minister in charge at that time what had been done, he told me that they had been informed by various press releases and that was the only method that had been used to inform the public.

If he is going to bring forward legislation, as he suggests, which again is going to

change this school bus legislation, I suggest that he make adequate provision in his budget so that the public can be properly informed of this change in legislation. I think it is a serious one, and I think, instead of spending the many thousands of dollars which are spent each year around this time to advise people that if they do not get their licences by such-and-such a date they will be prosecuted, he might better spend that money advising the people of the safety laws as they are passed.

As a matter of fact, while I am dealing with that, I would like to say that I for one cannot understand the necessity of putting half-page advertisements in daily newspapers telling people if they do not get their licences by March 14, they are going to be prosecuted. I think it is a complete waste of money. Anybody who has been driving knows that along about March 14, he has to get a new licence and yet this matter of advertising in the press results in nothing more or less than a handout of the public funds to keep the press happy. Now that is a pretty serious charge but in effect that is all the good that it does. It might please the publisher of the paper who charges for his advertisement but I suggest that it is doing little good to the citizens of Ontario.

Now, Mr. Chairman, you will be pleased to know that it has come time for the conclusion of my remarks. In the introduction I indicated that the department had given hon. members of the Opposition plenty of room for criticism. I have touched on a few; there are many more, and while examining these estimates it will be the duty and responsibility of the members of this group to investigate very thoroughly the other operations of the department. I suggest to you, sir, that this department of government has been "tried and found wanting," and that the time has come either for the department to show leadership and concern for the responsibilities for which it was charged, or the department should be amalgamated with other departments of government. I think I have made a good case, Mr. Chairman, for this department being amalgamated with the other departments where it rightfully belongs.

In the matter of dollars expended I will agree with the hon. Minister that its importance to the overall budget is small, but with respect to the importance of the matters which we are discussing, to the people of Ontario, it is extremely important. We cannot afford to allow a single person—and I am dead serious about this—we cannot afford to allow a single person to be maimed, killed or injured on

either our highways or our waterways if it can be prevented. It is our intention on this side of the House to discharge those responsibilities completely by examining every corner of the estimates to inquire and ensure that everything that can be done is done to promote the functions of this government. Thank you, Mr. Chairman.

Mr. MacDonald: Mr. Chairman, The Department of Transport has taken such a merciless beating this afternoon that I am almost tempted to come to its defence and, to a degree, I am going to. Because, Mr. Chairman, there are many aspects of what was said by the hon. member who has just taken his seat (Mr. R. C. Edwards), many aspects of his criticism with which obviously one would have to agree. But in his basic theme—and since he reminded us so many times his basic theme was that the department should be abolished—I must say, without necessarily wanting to get into an argument, that I do not think his case was a convincing one.

Many of the points which he raised, I repeat, are points of some validity. I think he destroyed some of the effectiveness by exaggeration. For example, to say that the department is completely bereft of all progressiveness, I do not think is true. I think this department has introduced the point system—

Mr. R. C. Edwards: Mr. Chairman, I did not say that. I have a copy of what I said here and I would be pleased to repeat it for the hon. member if he wishes.

Mr. MacDonald: That it was bereft of progressiveness! I think, for example, the introduction of the point system has been a progressive move, and I must say that I was impressed with the statistic—in fact, I was startled with the statistic that the hon. Minister gave us—that 85 per cent of the people in the province of Ontario have not accumulated any points at all. It almost persuades me to believe that enforcement is not as great as it should be, because I do not think we are really as close to being paragons of virtue and perfection as that figure would suggest. But with any reservations one might make, I still think it is a pretty impressive figure.

I would hope, now that the hon. member for Victoria (Mr. Frost) with his Victorian views with regard to breathalizers has gone off, that his views would not still dominate the government, and that police officers and people in safety councils and others who feel that they have a role to play might be progressive enough to induce the department to introduce this.

Such criticisms, as for example, the delay with the annual report, I could not agree with more. But this is not just a criticism of the department, this is a disease in this government. It is a disease we have taken a look at in the select committee of which the hon. Prime Minister (Mr. Robarts) and I both happened to be members. I am hoping that we can do something about it.

I think, to conclude, as the hon. member for Wentworth (Mr. R. C. Edwards) has done, that the hon. Minister wrongly claimed great achievement for the department because there has been an increase in fatalities, I think this is *non sequitur*. I think there have been some achievements in the department and that we should acknowledge them—moreover, they are not wiped out by the fact that there has been an increase in fatalities over the last year.

Unfortunately, increases in fatalities are almost part of our way of life. I would suggest that if we are going to correct the increase in fatalities that the responsibility for doing so rests not so much in this department as in increasing our enforcement agencies; and that maybe would reduce the 85 per cent figure with no demerits, too. I think this is the answer to getting at the problem of increasing fatalities.

If the hon. member for Wentworth is puzzled as to the contradiction between what the hon. Attorney-General (Mr. Roberts) said and any other hon. Minister in the government, I am surprised that he is puzzled by this. Surely it has become very obvious for quite some time that the hon. Attorney-General is out of step with everybody in the government.

There is added reason why in this particular department he is out of step. He is nursing a burning sense of pique. For many years the functions of this department were in the department of the hon. Attorney-General and they had a fantastically great capacity for headlines and he exploited that headline potential in safety and everything else.

I hope the hon. Minister will not agree with me by shaking his head affirmatively because this is going to get embarrassing.

However, the hon. Attorney-General exploited this to the hilt in terms of safety and everything else and to his great chagrin this was taken out of his department and transferred to The Department of Transport. Now they are doing a job without necessarily exploiting 101 per cent the headlines of it. The hon. Attorney-General is still unhappy, and the sense of pique makes it necessary for him to make a speech every now and then, as

he did down in Windsor, showing once again what everyone knows: that he is out of step with everybody even in the government.

However, the point I want to conclude on with regard to the theme of the hon. member for Wentworth is that I think he draws the wrong conclusions. I think there is enough important work to be done in this department that it is worthy of having a Minister who will give it his full-time responsibility at Cabinet level. My criticism, and this will be the main burden of my general remarks to the introduction of the estimates, is that there is another important phase that the hon. member for Wentworth just touched on at the conclusion which I think this department should be tackling and so far, apparently, it has not gotten around to it.

The phase I refer to is the whole rationalization of transport in this province—the moving of people from one place to another. Now, in checking back over the estimates last year, I was interested to note that a very significant proportion, particularly of the introductory statements, was devoted to this problem of commuter services. It was raised by the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. Prime Minister of the day (Mr. Fröst), took it up. He was in rather a petulant mood that day because apparently he had had his fingers rapped or had been rebuffed by Donald Gordon and everybody else in the railways. We had quite a battle flowing back and forth across the red carpet here, and about the only thing that came out of it apparently was a meeting with Donald Gordon some time later; what came out of that, I do not know.

But the point I want to make, Mr. Chairman, is that commuter services are only one aspect of this whole problem of transportation at the moment. I would think that The Department of Transport in the province of Ontario is the appropriate government department, either through its own research facilities or through co-operation with the research facilities over in the Macaulay empire, to do the necessary job in trying to find answers for reconciling and rationalizing this whole problem of transportation today. It would seem to me, Mr. Chairman, that we are now in a position to proceed with this, because as you know, during the past year a report of the Royal commission investigating transport at the federal level has come down, and here—if I may just pause for a moment—I think you get a mixture of federal and provincial responsibilities, and it is impossible to sort them out. Unfortunately, to be frank with you, I have not had time to read the report

at the federal level. Unfortunately, one would come to the conclusion from the publicity that it has had, and the comments in the press, that it is for the most part devoted to railway problems. It has come up with a solution which personally does not impress me—that the answer to the railway problem is to restore free competition between the railways.

Now some people may think that conclusion of mine is part of my ideological bias. I was rather interested shortly after the report came down to hear Viewpoint after the news one evening on TV. The speaker was the head of the department of commerce, I believe in the University of Toronto, and certainly not a person who normally would be sharing my ideological bias. After a cold analysis of the whole thing, he ventured the prediction that, a few years from now, those who think they have found the answer to the railway problem by restoring free competition will discover that it is not, and they will be retracing their steps. Surely anybody who has studied the whole economics of transport long since will have come to the conclusion that this is not an area where there is very much scope for free competition. It seems to me, in fastening one's attention and hanging one's hopes on this as being the answer to the problem, that we are being led up a blind alley by the hon. Minister's colleagues at Ottawa at the present time.

However, Mr. Chairman, without going to great length into this—because until the department gets into it I do not think there is very much point for us in the Opposition speaking at great length—the obvious point that strikes one in the situation today is that we have gotten ourselves into a position where every form of transport is subsidized very heavily.

Air transport is subsidized with free meteorological services and with airports. Our truck transport and our bus transport are subsidized by provision of highways on which they operate, when they do not contribute in an equitable way to the cost; they do not contribute to the parking space problem that cars and buses create down in our cities. If you examine water transport you will find that it is subsidized. The result is that we are dipping into the public pockets to subsidize every kind of transport, and yet we end up with a kind of irrational system that still is not paying for itself, and year after year, we have to dip into our pockets still further.

Now it seems to me that we have reached the point where the kind of study that I

assume was done at Ottawa, and with the kind of supplementary study that this department will do, we can begin to work towards answers of rationalization which, my present guess is, will have to be dividing up traffic—designating it for certain forms of transport. I read one very interesting brief that was submitted to the Royal commission at the federal level. They were advancing the argument that short-term traffic—100 to 200 miles—in which the problem of delivery is a major portion of the haulage, would be a logical kind of transportation for trucks. But long-term traffic across the nation, was a more logical one for railways.

By permitting both to get into it, you end up with each cutting the other's throat and we the people of the province and of the nation have to subsidize them because they cannot survive. Now, without going any further into this topic—because its ramifications are really endless, Mr. Chairman—I would like to say that rather than see this department abolished, I would like to see this department expanded with research staff. I would be willing to vote for the addition of research staff—because I think the research staff over in The Department of Economics and Development has got more than enough to keep it busy now—for the necessary qualified research staff in this field to start tackling the job of commuter services, the uneconomic competition between the other forms of transport, and come up with the kind of answer that we can at least tackle the problem at the provincial level. Conceivably, if we take a step, we can persuade the federal level to move into it too.

In taking my seat, Mr. Chairman, I just want to draw attention to one other rather remarkable contradiction in the general theme of the Liberal spokesman before the estimate. He wants to wipe out a department, because he says—along with Parkinson—that we have too many of them. But there will be, before the House is finished with its deliberations this year, somebody else who rises to argue that they want a new department, a department of northern affairs, for example. I want to submit that, in that particular instance, it is not more government we want, it is better government, and it is created by seeing that each existing department does its job.

So the hon. member was perhaps very correct in starting his remarks by saying that he was going to play the political song throughout his remarks. He did throughout, I think, to the extent of not recognizing the job that has been done by this department in promoting what I would describe—not in any sense of derogation—as the routine

functions of the department, highway safety and things of that nature. I would hope that in years to come they will move on to the broader vistas that are possible for a department of transport, solving problems that lie ahead of us, which nobody has yet tackled.

Mr. Sopha: In respect of the first vote, Mr. Chairman, I should like to make some remarks concerning the administration by the hon. Minister of those monies provided by statute, and noted in the estimates at the bottom thereof, under capital disbursements for the unsatisfied judgment fund which this year amounts to \$2.8 million. I might say parenthetically that I inferred from what the hon. Minister of Transport (Mr. Rowntree) said that their experience is such now that a great many more people are being impelled to purchase insurance from private insurance companies rather than pay the \$20 to the unsatisfied judgment fund.

Now, the remarks of my hon. friend from Wentworth (Mr. R. C. Edwards)—and notwithstanding what may have been said in a non-political theme by the hon. member for York South (Mr. MacDonald)—I want to comment that the remarks by my hon. colleague were very much worth listening to and I thought very effective and very telling. Now, as was pointed out by him, all the people have not yet come forward to buy their licences, and apparently do not have to do so until at least the 15th day of this month, and perhaps there will be another moratorium. After that time—the hon. Minister shakes his head—

Hon. Mr. Rowntree: No. I said that there would not be any extension past the 14th—

Mr. Sopha: Well, along with what my hon. friend said, it has often been a source of great curiosity to myself that, so far as other mandatory Acts are concerned—for example, filing of income tax returns by April 30, and everybody in this country knows that he has to do that or he pays the penalty. I have been curious to know why, in this department, year after year, and as long as I can remember—my memory does not go back as a good many memories of this House, but as long as I can remember—every year there have been these large advertisements giving a further moratorium and further period in which people may come forward and buy their licence—

Hon. J. Yaremko (Provincial Secretary): Where has the hon. member been for the last three years?

Mr. Sopha: Why, I ask, does the government not set a fixed date and everybody has to have their licences by that time and that is the end of it?

Hon. Mr. Yaremko: That has been the case for the last three years.

Mr. Sopha: All right, fine, but it has not been the same date.

Hon. Mr. Rowntree: That is a very good point that the hon. member raises, and there is no secret about the situation. There has been no extension of time after a fixed date has been declared or announced for at least three years. In earlier years, an earlier date was set, which was extended and, I believe, in some years there has been more than one extension.

Quite frankly, it is a matter of accounting and there is no secret about it that the fiscal year end for 1961-1962 includes the revenue of the sales in the first three months of this year. And that is the real reason.

Now, the next thing that is of interest on that point is that I think that some consideration should be given to the opportunity of new licences and permits being available prior to the first of January.

The first of January is New Year's Day. Many people are away. Actually the licence has expired on December 31, and that period to March 14 or such other date that may be declared, is really in the nature of a period of grace.

I do not think—and we have looked at this—that there is any revenue by way of transfers or new licences that would be of any loss or significance that would prevent us this coming year from putting '63 licences and permits on sale some time around December 1.

Mr. Sopha: I am very grateful to the hon. Minister for his enlightening remarks and it is a refreshing return to the days when the hon. member for Victoria (Mr. Frost) was in charge when he always used to get up and make his speech with one's own, and I have missed the departure of those days under the new regime.

Now, that was not really what I wanted to embark on and say, I sort of got side-tracked. I was going to say in preface to my later submissions that we will not know until everybody comes forward and gets their licence just what percentage of owners of motor vehicles in this province are going to resort to private insurance companies and what percentage are going to remain under

the aegis of the unsatisfied judgment fund. I hope it will be a high percentage that will purchase private insurance, as every other hon. member of this House, and particularly the hon. member for High Park (Mr. Cowl- ing), I imagine, would hope that it would be.

Now that I have got started with everyone in agreement let us see if I can cultivate a little disagreement.

Interjection by an hon. member.

Mr. Sopha: Well, it is not bad to sound like Charlotte Whitton. She has been pretty successful as a politician.

Interjections by an hon. member.

Mr. Sopha: She is not old enough, she was introduced this morning as being 36.

An hon. member: She will only have to wait four years.

Mr. Sopha: What I wanted to refer to or describe as one of the greatest anomalies in a government which itself has become an anomaly in the province, is the administration of the unsatisfied judgment fund. I am—though I have a great deal of trepidation about it—I am impelled this day to speak a little more vigorously about it and more to the point than I would have, say, two days ago, because of events that have supervened in between.

I have said in this House before, and I beg leave, Mr. Chairman, to repeat, that I see no justification whatsoever that the payment of \$2.8 million should be placed in a department under the responsibility of an hon. Minister whose responsibility, sir, goes only so far as the actual mechanics of paying it out.

Now, whether there is justification for paying it out, whether the judgment under which it was paid out was properly secured in the courts, whether the action was properly defended, is no responsibility of the hon. Minister at all. The first thing he knows about it in his department is when there is a letter received by the unsatisfied judgment fund branch or the financial responsibility section. It refers to a judgment and contains an application for payment out of the fund. The hon. Minister and those responsible to him, his solicitors, check over the application, see that the application is in order and pay the money out.

But so far as the defence of that action is concerned, whether the defendant, the defaulting defendant—the hon. Minister from

Kingston (Mr. Nickle) will be one who will be aware of everything I say—whether he was properly defended, whether every witness was brought before the court, whether in fact it has been determined satisfactorily that an insurance company ought to have paid that money, are all matters that are completely unknown to the hon. Minister of Transport. Because that regime, and the responsibility for that, have for many years past remained in The Department of the Attorney-General. I say it is an anomaly, and my word is well chosen.

The whole of the unsatisfied judgment fund, everything relating to the payment out of these public monies, I say, and I say in rationality, ought to be in one department. I suspect that the reason it is not falls completely in line with Professor Parkinson's thesis.

I know where this fund got started. I know the person—and I will make a remark later that perhaps with a little more caution of two days ago I would not have made—away back when this matter got started and the individual who put it into operation devised the scheme which has been much amended and much changed in the intervening years. I say that probably the whole thing is the reluctance on the part of a senior civil servant to divest himself of authority and power.

It is quite remarkable; I say, Mr. Chairman, quite remarkable that in reorganization of the courts we see that same senior civil servant, in a period of three months from making a report until yesterday when the bills were rushed through a committee and the hon. Minister of Transport (Mr. Rowntree) was there, that same senior civil servant would not permit a little reorganization of the inner workings, the inner sanctum of government and get that unsatisfied judgment fund branch out of The Department of the Attorney-General and get it where it properly belongs, under the direction, the responsibility and the aegis of the hon. Minister of Transport.

The second thing I want to say with respect to it, and here I am going to speak from personal experience, that in a great many cases, I suspect—I am going to recite two, and I will put the facts on the record—but I suspect if two cases occurred to me then there are a great many more cases of like and similar nature where monies have been paid out of the public revenues and the public treasury of this province and the unsatisfied judgment fund when there is no justification for paying them out.

A year ago or more I put facts on record in this House and I was promised at that time that an explanation would be given to me in relation to them. It has never been forthcoming. I referred to the case of Byrns against Dionne, tried three or four years ago in the district of Sudbury, where after judgment was secured by the plaintiff—I acted for the defendant and judgment for some \$3,500 went—then a dispute arose between my client, Dionne, and his insurance company about the liability for payment of the judgment. The company took the position that there had been a statutory violation of the policy and therefore they were not on the risk. Well, there was some disagreement about that, some disagreement about it, and the disagreement was of so sensitive a nature that Dionne was impelled to commence action in the Supreme Court of Ontario asking for a declaration that the policy was in force and the company was liable to indemnify him according to the terms thereof.

In the meantime, of course, the plaintiff made an application to the unsatisfied judgment fund. Becoming aware of this, I wrote to the solicitors for the unsatisfied judgment fund bringing it to their attention that an action had been started and suggesting to them that they had no jurisdiction to pay any monies out of the unsatisfied judgment fund until that issue had been determined.

Quite logically, I felt—I still feel, nothing has ever changed my mind in relation to this—that if there is a possibility of saving public monies, be it \$3,500 or \$350 or any amount, then the unsatisfied judgment fund ought to join with the plaintiff in such an action in order—to resort to the vernacular, and this may offend the hon. member for High Park (Mr. Cowling)—to endeavour to nail the insurance company.

That is a good phrase, to nail the insurance company. If we can save the public of this province money and demonstrate to the satisfaction of a court that an insurance company is on the risk, then that is good business.

Now, just to conclude it, in that case I got a letter back—I still have it on file—from the solicitor to the hon. Minister of Transport, and he said, to paraphrase him:

"We have no concern about this. All we need is an affidavit from the plaintiff saying that he knows of no insurance coverage that is in force to indemnify him and we pay the money out."

Hon. Mr. Rowntree: What year would that be?

Mr. Sopha: That would be 1956 or 1957.

Then I want to tell about another case that I thought was even more remarkable than that and demonstrated the approach of the people who administered the unsatisfied judgment fund; the strictness or the vigour with which they defend these actions.

I had a case where my client was named Nicolic. We were suing an Indian by the name of Devassige—that is a good Manitoulin Island name, Devassige, his father was a chief in the Manitoulin Island then—and the registered owner of the vehicle was one Gray. We can put Gray aside very quickly because Gray never appeared after the accident occurred. He, of course, was not driving the motor vehicle at this time. Devassige, the Indian, was and Gray never appeared. Nobody saw him at any time.

There was an insurance policy in force for \$100,000—\$100,000, that really warms a lawyer's heart when there is coverage like that. So normally and naturally action was brought against both Devassige and Gray, the registered owners. Devassige—I should go on to say though that I acted for Nicolic; but Flynn, a passenger in the front seat of the same vehicle, was killed in the accident. I did not act for the Flynn estate. He came from Oshawa and they retained local solicitors in Oshawa.

Hon. Mr. Rowntree: Might I just say something at this point, Mr. Chairman?

Mr. Chairman: Yes.

Hon. Mr. Rowntree: As the hon. member is probably aware this is a statutory item which is disclosed at the end of our estimates. I am very much interested in the instances which he is citing, but as he knows the insurance committee of which some of his hon. colleagues were members brought in its report immediately towards the end of the year and there will be major legislation brought forward within a few days which will implement a substantial portion of those recommendations. When the bill is brought down it will provide a very real opportunity to discuss the fund and go into some of these things.

Mr. Singer: And everything that was before the committee?

Hon. Mr. Rowntree: Oh, not everything. We will discuss the bill.

Mr. Bryden: The bill may be unduly restrictive.

Mr. Sopha: I wonder why the hon. Minister—I thank him for his intervention—but I wonder why he did not bring that legislation in before he asked us to vote the money to run his department.

Hon. Mr. Rowntree: Well, the hon. member's hon. colleague was on the committee.

Mr. Sopha: I do not know what is in it, but I know the second interim report which I had taken the opportunity to read before I got up to speak, satisfied me that they did not deal with these matters I am now referring to in their second interim report.

The hon. Minister may recall that I presented a brief before that committee and it was not very effective even with my own hon. colleagues. They did not include much of what I recommended—some of it, but not much of it—in their second interim report. Maybe at some future time—

Hon. Mr. Rowntree: It would be my desire that when the bill is brought down we would have a debate or ample opportunity to discuss some of the matters that the hon. member is raising, if they are pertinent.

Mr. Sopha: I am not sure, Mr. Chairman, I am not going to be very lengthy about this. I said that Flynn, in the front seat, had been killed; Nicolic had been seriously injured, and accordingly two actions were started, one on behalf of Flynn, who was killed, and the other on behalf of Nicolic.

Hon. Mr. Rowntree: The hon. member wants to go ahead now on this?

Mr. Sopha: Yes, I do!

Now the company in this case denied liability because they said that Gray was not the true owner of the vehicle and the vehicle in fact, though not by registration had been transferred prior to the accident to Devassige. The action proceeded along those lines and since Flynn had been killed and the damages to Nicolic were quite serious, it was quite obvious that the amounts that would be recovered in the courts if the action went to trial would far exceed the limits of the unsatisfied judgment fund. Now the total judgments that were eventually recovered in the two actions was \$39,000. Hon. members can see that is almost double the amount that was in the fund.

The department and the solicitors for the fund were perfectly aware of all this and perfectly aware of the nature of the defences that had been raised by the insurance company. At one point in the action, and some

months before they came to trial, I was approached by one of the solicitors of the unsatisfied judgment fund branch, and he made a remarkable offer. He made the remarkable offer that the fund would kick in \$10,000 of the \$20,000 that was available; the insurance company that had insured Gray, the registered owner, they would kick in \$10,000. My client Nicolic would take \$10,000; Mrs. Flynn, the widow, would take the other ten and we would wrap the matter up and settle it!

Hon. G. C. Wardrope (Minister of Mines): What about Flynn?

Mr. Sopha: This is a very serious matter. It is a very serious matter and we know, Mr. Chairman, that the hon. Minister of Mines (Mr. Wardrope) is the Bob Hope of the poor, but we have not got the time to stop and listen to him.

Hon. Mr. Rowntree: What year was this case?

Mr. Sopha: What year? That was 1959.

I was quite impressed with the prodigality of civil servants with public funds. I was quite impressed with the fact that apparently conversations had taken place between the solicitors of the unsatisfied judgment fund and the solicitors for the insurance company. Of course, I was not invited to participate in those conversations.

But hon. members see how the deal had been made; \$10,000 from the fund, \$10,000 from the insurance company.

There is a compromise! We take far less than we eventually got and the whole thing would be settled. The offer was rejected, was rejected out of hand; completely refused and we proceeded to trial.

Now, my complaint is this and I state it very simply: The solicitors for the unsatisfied judgment fund, if they were about their business—and I might add if they were properly paid, which they are not and never have been, there has been a great progression of them that have come in there, stayed a few months and then gone on to greener pastures after eight years of going to law school—if they were about their business and there was a possibility of hooking the insurance company and getting them on the risk and getting that \$100,000 of insurance that was available under the policy which insured Gray, they would join forces and aid and abet the efforts of the plaintiffs in the case in order to endeavour to bring about that result.

But why should these solicitors, who are

hired—I do not want to blame the solicitors—but why should the hon. Minister or the hon. Attorney-General (Mr. Roberts) who has the responsibility of protecting this \$2.8 million which comes from the public monies of this province—why should there be such prodigality in paying it out and offering to pay it out? Why not make every endeavour to—

Hon. Mr. Rowntree: If the hon. member would give me the identification of the files, I would be glad to look into them and inform myself as to the facts and put myself in the position to discuss the matter.

Mr. Sopha: Nicolic against Gray and Devassige. D-e-v-a-s-s-i-g-e.

Hon. Mr. Rowntree: And the other case?

Mr. Sopha: Bryns—B-y-r-n-s—against Dionne.

Hon. Mr. Rowntree: I would be pleased, Mr. Chairman, to inform myself and put myself in the position to discuss these matters in an intelligent way with my hon. friend, but at the moment I have no knowledge of them because they are of some ancient vintage.

Mr. Sopha: The hon. Minister has no knowledge of them, but I am informing him of them. I informed the authorities of the case of Bryns and Dionne a year ago, and they said they would give me an answer but I have never had one yet. Now I give the hon. Minister this additional one.

To review what I said. I simply do not understand as a member of this House, nor do I understand as a solicitor of the Supreme Court, why the officials or the people responsible for the unsatisfied judgment fund, if they can save a dollar—if they can save a dollar by putting the risk or demonstrating to a court that the risk is properly the responsibility of an insurance company—that they do not bend every effort, every effort to do it.

What was the result of that case? The result of that case was the saving of about \$24,000 to the fund. In this way, that at the trial Mr. Justice Ferguson found that Gray was the true owner—

Hon. Mr. Rowntree: Then right was done!

Mr. Sopha: But through no assistance of the unsatisfied judgment fund, through no assistance whatsoever.

The position—let me just go on and refer to that—the position taken by the fund by E. H. Silk, QC, who appears by local agent at the

trial, their position was a completely passive one.

I go on to add, sir, that they had not been in touch with Devassige, for whom E. H. Silk, QC, appeared, from the time he went to jail—he was sentenced for criminal negligence causing death—they had never seen him from the time he went to Guelph, to which institution he was sentenced for one year, until the morning of the trial. The solicitor who appeared for him on the record at the trial did not even have an interview with him that day of the trial. He was completely, I might add, in the hands of the insurance company's lawyers. He was completely in their hands. He came there as an auxiliary and an adjunct to assist them in the defence of statutory violation in that their insured Gray was not the true owner of the vehicle and Devassige took the stand and testified to that set of facts in their endeavour to get out.

Now when large amounts of public money are involved—the \$2.8 million that the hon. Minister is asking for this year—when large amounts are involved, one with a considerably greater feeling than curiosity can see in the employment of counsel by that government, by your government—and the hon. member for York Centre (Mr. Singer) asked to have tabled the amounts that were paid in the employment of outside counsel; I would not dare trust my memory to remember how much they were, but they were very substantial sums indeed.

One notes in expropriation proceedings and that type of thing, where the interests of the province are at stake, that that government will hire the very best counsel that they can find on Bay, Adelaide and Richmond Streets—the very best, the leading law firms, are hired. I have asked before and I ask again, in the administration of this fund, I know of no single case where, in a stout and spirited defence of the action, this government—through the hon. Attorney-General or his department or anyone else—has ever gone out and got leading counsel to defend.

There is, truth to tell—the hon. Attorney-General does not like to hear this, but it is true—that normally in the defence of these actions E. H. Silk, QC, appears on the record and they hire a local Tory law firm which may or may not be competent, may or may not carry on much other motor vehicle litigation practice at all. The business is farmed out to them and all hon. members need to do—I do not want to mention my good friend from Sudbury—but all hon. members need to do is look at the public accounts,

at page U-7, half way down the page, and see one of the leading Tory law firms in Sudbury.

Hon. Mr. Yaremko: Ask the hon. member for York Centre (Mr. Singer) how much his law firm received federally—

Mr. Sopha: Alongside a leading Tory law firm from Hamilton—

Hon. Mr. Rowntree: Mr. Chairman, in answer to the question—

Mr. Sopha: I did not ask a question.

Hon. Mr. Rowntree: There was a point raised by the hon. member.

Let me say this, that in paying out the monies from the fund to our department, there is an average time required, at the moment, of 14 days which I regard as too long. Steps will be taken to shorten that time and expedite the issue of these cheques. The 14 days—during the period that I have been connected with the department—have been required to check the sufficiency of the documentation or the judgment or whatever the authority is, to comply with the law and authorize the payment out.

Now, on this subject the hon. member's colleagues and ours—and the committee itself—brought in some findings which are set out in the book which you have. This report was brought in last December. Some of us were somewhat involved in the month of January on other matters and—

Mr. Singer: Not too successfully.

Hon. Mr. Rowntree: Well, we were involved; achieved success. The position is this, that the administration—firstly, the administration under the hon. Prime Minister (Mr. Robarts) bears a solid front with respect to this matter. The legislation, of course, that we are going to come up with in respect to the implementation of this report will be one which bears the entire support of the Cabinet and of this government, including my colleague, the hon. Attorney-General.

There is no dissension or disagreement of any kind as suggested by the hon. member somewhat earlier. And I think there would be no secret in the fact that the operation of the fund is going to be placed entirely under The Department of Transport and with the entire co-operation and assistance of the hon. Attorney-General. When this bill is brought down in a matter of a very few days—and I am trying to get it down as quickly as I can—there are only 24 hours in each day as far as I am concerned, but

we will get this down. I have in mind the time factor of getting the bill printed and into hon. members' hands so that it can be considered and looked at, and so on, so there will be an adequate debate on the subject.

Mr. Sopha: I am very glad to hear from the hon. Minister that what I advocated last year—that this fund go under one department—is in fact going to be effected by this legislation. It is a very progressive step. Nor did I, Mr. Chairman, suggest that there was any dissension between him and the hon. Attorney-General, Mr. Chairman, though I might add that the hon. Attorney-General is a man with whom it is not difficult to have dissension at any time. But I imagine the hon. Minister gets along with him better than we do.

I do not apologize for bringing these matters to the attention of the House. A search of the files of those two cases will reveal that what I said is absolutely correct, and I hope when the hon. Minister does get it under his department that new vigour will go into the administration of this thing so that public monies are paid out of it only after it is determined that an insurance company is not really on the risk. Now, it is not the proper place to say that the hon. Prime Minister (Mr. Robarts) promised this, that the second interim report of the select committee on automobile insurance would be debated, an opportunity would be given to debate it. I know him to be a man of his word and I would think that, before the conclusion of this session of the Legislature, such an opportunity will be provided, because I do want to seize the opportunity to try to demonstrate—and I could not persuade the select committee to include it in its report apparently—to try to demonstrate that the legislation respecting the motor vehicle accidents in this province, that that legislation is heavily biased in favour of the insurance companies, and accordingly is heavily prejudicial to plaintiffs. I can show that.

All the rights and privileges that are given insurance companies to add themselves as third parties, to plead statutory violation of policies, is just as if the insurance companies wrote the legislation. I think they had a heavy hand, through some pressure group perhaps, in putting in some of the phraseology.

I add that there are some insurance companies, like All-State and State Farm, that are not in the business of paying claims at all. Those two companies in particular are

in the business of fighting lawsuits. They want to fight lawsuits, they love the courts, and they will use every legal trick and every legal chicanery that is available to them through pettifogging delaying tactics to avoid the payment of just claims upon the policies of the motor vehicle, that the vehicle was in the possession at the time of the accident of Devassige with the consent of Gray, the true owner, and therefore judgment went against Gray and the company had to stand behind him as the registered owner and indemnify him. The unsatisfied judgment fund, which a few months previous had in prodigal fashion been willing to pay out \$10,000 of the public money, along with the insurance company, got out of the matter with the payment of their own solicitor. I can demonstrate also that they do that. They do it throughout the province.

Hon. Mr. Rowntree: Mr. Chairman, this is far removed from the subject. This is a matter of The Insurance Act when it comes under some other department's estimates. But it demonstrates the co-operation and the spirit of helpfulness and kindness that exists and that we try to generate here. Let me say this to the hon. member. If he will get hold of me tomorrow and tell me what he has got in mind, I will even take time out to discuss it with him before I finalize the bill over the weekend.

Mr. Sopha: Well, that is very simple, because then I need only provide the hon. Minister with a copy of the brief that I presented before the select committee and it is all contained therein.

Hon. Mr. Rowntree: I will dig it out myself.

Mr. Sopha: I wish the hon. Minister would dig it out and read it and perhaps take out some of those invidious sections around section 220 of The Insurance Act that give the insurance companies of this province so much latitude in actions that are brought by people who are injured on our highways. And those are the remarks I wish to make with respect to the unsatisfied judgment fund which, apart from my criticism, has been a wonderful mechanism in this province to compensate people who would not otherwise get a nickel from improvident defendants.

It was a very progressive step 10 years ago or so when it was brought in, and I think, was the leader in this country. I am not one of those not able to exercise my larynx to say some kind things about this government. One can afford to say kind things about it as one

can afford to say kind things of the person who is on his deathbed and going to his great reward, and that is the spirit in which I say it.

Mr. G. Bukator (Niagara Falls): Mr. Chairman, I would not have got up to speak on this issue if it had not been for the hon. Minister saying that he was so lenient and wanted people to express themselves freely, or words to that effect. I would like very much to ask a question on water safety. Will that come under main office? I do not know where else you could put it, you certainly cannot put it under the other items.

Interjection by an hon. member.

Mr. Bukator: No, it is not a different matter. It does come under the provincial government and I can assure you that that is where that belongs. I just do not want to be off-base the first time I am on my feet this year.

You can recall a year ago when we had that tragedy in Niagara Falls when a man and his family lost their lives going over the rapids—the hon. Minister of Energy Resources (Mr. Macaulay) would remember that case very well, he is well acquainted with the river. Now, I had something to say about that matter at that time. There were many delegations and many people concerned about this because there were many people using the Niagara river for boating purposes, both for fishing and taking their families out on a Sunday. This man had his family out. His motor failed him above the intake at Chippawa, and they were lost in the rapids. It was a tragedy that we will remember there for a long, long time.

I suggested to the parks commission at that time—I am awfully sorry that the chairman is not here—that they purchase a vehicle, a boat, with two people to man the boat, and if they had had that at that time this tragedy would not have occurred.

I was talking to the manager of the parks commission and he suggested to me that this matter was a federal matter, such as you have suggested, Mr. Chairman.

I find that the lands to the international boundary have been leased to the federal government by the parks commission, simply because the Hydro wanted to dig out these intakes for their power project. So the land comes under the direct jurisdiction of the the Niagara Parks Commission. Under those circumstances we felt—the people of the city of Niagara Falls, the mayor, his council, the reeve and council of Stamford township,

among many others throughout the province—that some kind of a safety measure should be brought about.

They decided that the proper way to handle this thing would be to get the surveyors out—the surveyors and the engineers of the Hydro and the army corps on the American side—to install some kind of cable or safety measure across the Niagara river. This at that time did not make sense to me as a layman because it would have been too costly and too hard to handle. I suggested that they buy a boat with two men to man this apparatus. I am not criticizing the hon. Minister here, I am giving him an “out,” I am showing him how he can add this to his programme and provide the necessary safety for the people who use that river.

The natural harbour there is the intake to the Chippawa creek; there is a little bay there with a light and with a place to moor their boat and intercept the boats that do get into difficulty at that point, which would be about a mile and a half above the falls.

This is the answer to the problem, and why I tell the hon. Minister that it is simple to handle this problem; because I, at one time, was acquainted with two people who rowed out into the Niagara river, out beyond the Canadian boundary, picked up three youngsters off a raft with a row-boat and rowed back into the intake and saved their lives. It is just how simple this thing can be handled.

As a matter of fact, when I was on the parks commission several years ago, I suggested to them at that time that they purchase a boat, and give it to the volunteer fire department of the village of Chippawa to man, because they are quite expert in those waters; they know them well. I remember the item at that time would have cost approximately \$1,000. The parks commission stated to me that, because they did not care to purchase a unit for a group of people and have them man it, they thought at that time that they themselves might buy a boat, have it on the river front and man it with their own staff.

Four or five years have passed by and nothing was done. The tragedy came about and again they talked about this matter last summer and again in the fall and nothing did come about.

I suggest to the hon. Minister that this is the way to handle this problem. I would like very much to appeal to the hon. Prime Minister (Mr. Robarts) himself. If your department does not handle this thing maybe the Hydro

will. If the Hydro feel that they do not have anything to do with this thing maybe the parks commission should. They encourage tourists to come there to use those waters, to come down into that area and spend their money. I recall that, not long ago, a youngster came into one of our tourist establishments along that river which is being maintained by the parks commission—a boy 12 years of age. He fell off his raft, and the boy drowned, simply because there were not the proper precautions to inform him of the treacherous and dangerous waters. After that, a sign was put up. They always close the door after the horse gets out.

I would like at this particular time to get an expression from the hon. Minister of Energy Resources (Mr. Macaulay) in this particular case—not economics and whatever the case may be—because he is acquainted with our problem; or the hon. Prime Minister (Mr. Roberts) himself, who could direct one of the departments to provide this unit for us.

Hon. Mr. Rowntree: Mr. Chairman, the matter that the hon. member raises was referred to briefly earlier.

The primary responsibility with reference to safety at sea, as the subject is called, does rest with the federal government. Now, the hon. member may be closer to a solution to his problem than he thinks. Contrary to some of the things that are said—I think facetiously—on his side of the fence about what we do in the departments of government, some of us do try to keep well informed of developments involving such matters as these.

There has recently been announced a decision of the federal government to form and constitute a Canadian coastguard. That is something that we have been after for a

long time. It is this type of function that the Canadian coastguard would include in its scope of operation, because the American coastguard has a similar pattern of safety for protecting dangerous waters and special situations such as this. While it has nothing to do with the provincial Department of Transport, I can assure the hon. member I will certainly be glad to discuss it with my federal counterpart when I see him next in the next week or ten days.

Mr. Bukator: Mr. Chairman, I would like to pursue this a bit further. I did not make myself too clear to the hon. Minister. Those lands that I speak of—

Hon. Mr. Rowntree: Mr. Chairman, this is out of order!

Mr. Bukator: I am not out of order, Mr. Chairman. This is not a federal matter, this is on provincial lands that come under the jurisdiction of the parks commission and the Hydro.

An hon. member: This is not under 2001.

Mr. Bukator: Then tell me where it is, because I want to discuss this matter again. I am not going to accept this stall that the hon. members opposite, from time to time, try to impose on us. This comes under either the Hydro or the parks commission. They should protect the people they invite into that area.

Mr. Bryden: Mr. Chairman, I would like to revert to the matter that the hon. member was discussing.

It being 6 o'clock, p.m., the House took recess.



ONTARIO

Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, March 8, 1962

Evening Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis; Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 8, 1962

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF TRANSPORT (continued)

On vote 2001:

Mr. K. Bryden (Woodbine): Mr. Chairman, at the supper adjournment I was on the point of saying that I can sympathize with the hon. member for Sudbury (Mr. Sopha) in the difficulties he had in two cases he cited, which involved the unsatisfied judgment fund and accident claims generally. I believe, sir, that the fundamental reason for the difficulties he encountered—and for difficulties that many others have encountered—is that the unsatisfied judgment fund has been almost a complete flop, as far as dealing with the problem it was designed to deal with is concerned. I think this was obvious several years ago to everybody except the government and, I would judge also, the hon. member for Sudbury, who indicated that he considered it satisfactory.

It would appear now that fact has also become obvious to the government or, at any rate, to the select committee which was appointed by this Legislature and which consists mainly of government members. This committee has presented an interim report, as we know, in which, in effect, it recommends—and we will wait to see to what degree the government adopts its recommendations—that the unsatisfied judgment fund be departed from entirely, or the principle lying behind it be departed from.

The committee recommends that the name of the fund be changed to the Motor Vehicle Accident Claim Fund, and I may say, Mr. Chairman, that this is much more than a mere change of name. The suggestion for a change of name is appropriate because it is indicative of a recommendation that the principle underlying the unsatisfied judgment fund be radically altered. The principle the committee recommends is, shall I say, half of a government-sponsored public automobile insurance plan. It proposes that in future, payments be made without court proceedings, out of the fund simply

upon the claimant satisfying the administrators of the fund that he has a just claim. As far as the claimant is concerned, it now becomes an administrative proceeding. The government, either directly or through agencies will hire its own adjusters and adjusts claims which are then settled on an inadequate basis, I would suggest, out of the motor vehicle accident claims fund—or they could be on an inadequate basis—

Hon. H. L. Rowntree (Minister of Transport): How can the hon. member say “inadequate” when the legislation has not been—

Mr. Bryden: Well, I am now going purely on the basis of what is in the report. If I gave the impression I was talking about the legislation, I would like to withdraw that. I had stated earlier that we would have to wait and see to what degree the government accepts the committee's recommendations; but as far as the committee's recommendations are concerned, it proposes an entirely new principle of settlement of claims out of the fund, and on the basis which they propose it is my submission that the procedure is inadequate to a certain degree. However—

Mr. J. R. Simmonett (Frontenac-Addington): How would the hon. member know that?

Mr. Bryden: Well, I know what is in this report.

Mr. Simmonett: Well, I know, but how would the hon. member know it is inadequate?

Mr. Bryden: Well, I am suggesting that, on the basis they have suggested, it could be inadequate in some degree. It is, however, an important and a radical departure in principle, from the principle of the unsatisfied judgment fund. It is one that I personally welcome because I have always—especially in dealing with the government opposite—worked on the principle that half a loaf is better than no bread and this is a sort of half-way measure towards a public automobile insurance plan. The hon.

Minister has stated that he is planning to bring in legislation shortly and I do not wish to get into too much discussion at this stage on this particular principle. One labours somewhat at a disadvantage in not knowing what the hon. Minister's legislation is, because we cannot be sure just what we will be able to discuss at that time. However, I have no doubt that in discussion of the principle of his bill we will be able to deal with the whole principle of protection of the public against damages from automobile accidents. There is one phase of the matter, however, which I would like to deal with to some extent at this time, because I believe that it will not be covered by the hon. Minister's bill. This is the matter of the fee paid by a driver who cannot demonstrate to the licence-issuing authority proof of financial responsibility. This is a matter which has already been dealt with by regulation.

I think it is regrettable, Mr. Chairman, that this matter should have been dealt with by regulation without any opportunity for debate in this House. It, too, represents, in effect, a totally new departure in principle. It is far more than an administrative decision which could quite properly be handled by regulation. In my opinion it introduces an entirely new principle which I think should have been debated in this House before it was implemented. The increase in the fee that the uninsured driver must pay from \$5 to \$20—

Mr. Chairman: This comes under vote 2004.

Mr. Bryden: Well, Mr. Chairman, I suggest to you that after we have had a very lengthy discussion—

Mr. Chairman: The hon. member is talking about fees now.

Mr. Bryden: Well, I am talking about the fee, if you want to call it that, Mr. Chairman. I am not even sure that is the proper designation for it, but I am talking about the money that a motorist, who cannot demonstrate proof of financial responsibility, has to pay to the licence-issuing authority. It is a straight matter relating to the unsatisfied judgment fund. The money that he pays goes into the unsatisfied judgment fund. I do not know what branch of the department handles the administration of this fund, but I assume from the fact that you permitted a lengthy discussion of the matter under this vote that administration is under the main office. I assure you, sir, that I am

talking exclusively about the administration of the unsatisfied judgment fund.

Mr. V. M. Singer (York Centre): Let the hon. member talk. He will say it anyway.

Mr. Bryden: Oh, I will certainly say it. The point I was trying to make, Mr. Chairman, is that the increase in this amount of money from \$5 to \$20 is tantamount to establishing a system of compulsory insurance in this province. A payment of \$20 is punitive. It is a penalty, in effect, for failing to carry insurance and, as I say, that—for all practical purposes—makes it compulsory insurance. In fact, the figures which the hon. Minister himself gave today bear out my contention. All but a trivial minority of those who have renewed their licences for this year, have demonstrated that they have purchased insurance. In fact, I saw an article in the *Toronto Daily Star* of today to the effect that this has proved to be a real bonanza for the insurance companies, their business has gone up something like 30 per cent.

Mr. Simonett: Does the hon. member believe that?

Mr. Bryden: I see no reason for not believing it. The hon. Minister's statement indicated a substantial increase and the article in the *Daily Star* based ostensibly on figures received from The Department of Insurance and from insurance companies, was that their business had gone up about 30 per cent. Now, whether the figure of 30 per cent is correct or not really does not matter, the point is that it necessarily must have gone up very substantially.

Mr. E. W. Sopha (Sudbury): There is no need for accuracy.

Mr. Bryden: This is typical of the facetious sort of comment of the hon. member for Sudbury (Mr. Sopha). The point is that the business of the insurance companies has increased substantially and it does not really matter the precise amount by which it has increased, that can be determined at a proper time. But it clearly is having the effect of compelling people to insure. It is a penalty which forces them to insure.

Hon. Mr. Rowntree: Mr. Chairman, that is not entirely accurate and let us face the issue squarely. On the one hand you would have compulsory insurance or a state socialized form of insurance, and, quite frankly, the position of our government is that we support the free enterprise system. We are dealing

with two entirely different concepts of the subject.

There is something else to remember, however, and it is this. There is a substantial difference between what one gets for \$20 and what one gets for a larger payment from an insurance policy, and let us recognize that. But the room for the \$20 situation covers a very important gap where somebody does not believe in insurance, somebody does not use his vehicle more than six months in the year, or does not leave certain rural areas. Certainly this whole report changes the concept of our whole approach to this thing.

Obviously, in the increase from \$5 to \$20 which the committee recommended, and the party of the hon. member was represented on that committee and, I believe, the report was unanimous, we have simply implemented the unanimous report of a committee. Quite frankly, the results are exactly what I think everyone expected.

Mr. N. Davison (Hamilton East): Just on a point of order, I would like to clear this up. The report was not unanimous, I did not agree with some parts of it.

Hon. Mr. Rowntree: I am sorry, it was not unanimous. The hon. member for Hamilton East has corrected me.

But the point I am trying to get at is that, frankly, we could have a very interesting debate on this but I think it would be more to the point if we had it deferred until the bill implementing the report comes in in a matter of a few days. I will tell hon. members it is going to be one of the most advanced operations of its kind in this country, and, indeed, on this continent. It is going to be a streamlined operation of which even the party of the hon. member for Woodbine will be proud.

Mr. Bryden: I do not believe the question of a fee of \$20 will be dealt with in the bill, or will it?

Hon. Mr. Rowntree: It has been dealt with.

Mr. Bryden: This is what I am talking about.

Hon. Mr. Rowntree: But it will be open to discussion, because maybe next year it will go to \$25 or back to \$15.

Mr. Bryden: This could be, I do not know. I am merely making my submission, and I think that the hon. Minister's comments bear it out, that the increase to \$20 is tantamount to compulsory insurance. He is satisfied with

the tax, he is perfectly entitled to be satisfied with whatever he likes.

This has had the effect of inducing almost everybody to buy insurance from private companies, so I think we are on common ground, at least as to the result. As to whether or not we agree with the method of doing it, that is different. But the result is—and I would take it that the hon. Minister's statement bears me out—that we now, for all practical purposes, have compulsory insurance in this province.

Interjections by the hon. members.

Mr. Bryden: The hon. gentleman from Middlesex South (Mr. Allen) says it is the cheapest insurance one can get. This is the other point I wanted to make about it. It is not insurance at all. There is no insurance protection for the person who pays the \$20.

In my opinion, if the report of the committee is implemented there will be a substantially greater measure of protection than there was in the past for the victim of an automobile accident, but there is still no protection whatsoever for the person who pays the \$20 plus \$1 on his licence fee into the unsatisfied judgment fund. I would suggest, Mr. Chairman, that if we are assessing people at that rate, we might as well take the next stage and consider a programme to provide a person who has to pay that amount of money with insurance protection. The \$20 figure is getting very close to the amount of money for which a person can buy the insurance protection envisaged from some private company. As I recall it, the proposal of the select committee was that the maximum liability on the fund should be \$20,000, \$40,000 and \$5,000, I do not know if the bill will contain that particular provision or not—

Hon. Mr. Rowntree: It might even improve on it.

Mr. Bryden: Well, it might improve on it, but I can only take it on the basis of what I know at the present time, which is in the committee's report. And as far as a victim is concerned, he may now—or when the legislation is enacted he will presumably be able to—claim damages up to those limits of the fund, but the person who pays the \$20 is still liable for everything that is paid out of the fund in respect to an accident for which he is held responsible. Yet for \$20 some companies will give at least some drivers insurance protection to those limits, in fact, better than those limits and for most drivers the fee would not be very much more.

The Co-operators' Insurance, for example, in regard to the most favoured class of drivers, will provide coverage of \$20,000, \$40,000 and \$10,000—which is a little better than that recommended in the report—for six-monthly premiums of \$10, two premiums per year of \$10 each. All I am saying is that some drivers can now get from a private company—which has all the costs of acquisition—insurance protection up to the limits proposed here for the fee that the government is now demanding and for which they get no protection at all. I would suggest to the government that if they are now thinking in terms of fees of that magnitude they should go a step further; set a level of payment that will cover the claims according to their calculations, and simply provide the insurance protection to the driver as well as to the victim of the accident. That seems to me to be a sensible, logical extension.

I may say that I object to the principle of compulsory insurance as such. My friends on the Liberal benches are entirely in favour of compulsory insurance or some of them are at any rate. I have said that the hon. Minister has brought it in by the back door and I think quite illegitimately by regulation rather than by decision of this House. I would say that compulsory insurance, as such, is even more objectionable than the old unsatisfied judgment fund principle which has now been abandoned. I say that it is wrong for the state to use its coercive powers to force people directly or indirectly to buy something from someone else who is making a profit out of the transaction. I do not see why one should be forced to contribute to somebody else's profit. If the government is of the opinion, and I am, that all drivers should have the insurance protection up to some reasonable limit for the benefit of the public, then I believe it is the responsibility of the government to provide that protection at cost; that is at the actuarial cost of covering the claims plus whatever is required for administration. This would mean that the motorist would pay substantially less and if we are going to compel him to do something, then we should let him have it at cost.

Mr. Simonett: What is cost?

Mr. Bryden: I just defined it a minute ago, so I will not bother repeating it for you. If we had a public plan in which the insurance coverage was supplied at cost, the price would be considerably lower than is now paid on average to private insurance companies. The private companies are paying out in claims less than 60 cents on every dollar they are collecting on premiums. There

is a margin of better than 40 per cent that goes to acquisition costs of various kinds and administrative costs. Under any public universal plan those costs could be reduced very substantially, probably to somewhere between 5 and 10 per cent. This would be of benefit to the motorist and, as I say, if the government is now taking the position or anybody is taking the position that the motorist be compelled to insure, then it is their duty to give it to him at the actual cost of covering the claims and administering the plan.

An hon. member: At no profit?

Mr. Bryden: The hon. member has asked "at no profit?" No, I do not think the government should make a profit out of such a plan. I think they should probably have sufficient margin to provide adequate reserves but they should not compel anybody to buy from some other person. The hon. member for Sudbury stated this afternoon that in his opinion the insurance law of this province was loaded in favour of the insurance companies and against the claimants. Yet his party, or some hon. members of his party, want the government to use its coercive powers to throw everybody into the hands of the insurance companies, and in fact the government has for all practical purposes done that, because we are now in their hands.

Mr. J. J. Wintermeyer (Leader of the Opposition): Are you for or against compulsory insurance?

Mr. Bryden: Since the hon. leader of the Opposition has asked the question I will explain it for him in terms that I hope even he will be able to understand. I am in favour of a public automobile accident insurance plan similar in its basic principles to the workmen's compensation plan. This is admittedly compulsory insurance but of a very specific type. It is not the kind of compulsory insurance which says that one must have insurance but one has to go to some insurance company to get it. Under my proposal, the motorist will have to pay a fee and in consideration of that fee both he and the public will get certain protection. Now, I think there is a fundamental difference in principle there, and I would like to make it clear that I am in no sense in favour of compulsory insurance in the way the Liberals have been talking about it, or in the way which I submit the government has now introduced it by the back door.

One of the hon. gentlemen has just said that when the government starts paying claims we are in trouble. Well, one of the

recommendations of the select committee on automobile insurance is that under certain circumstances the government should start paying claims or they should be responsible for the payment. They may hire outside adjusters to handle the matter but they will be responsible for the payment. So we are accepting that particular principle already.

I would like, Mr. Chairman, to call attention to another difficulty which arises from compulsory insurance in the sense in which the Liberal party and others have been talking about it. With insurance through private companies one still has all the problems or can have all the problems of going to court to obtain settlement. Any victim has to deal with his claims, or would have to deal with his claims in exactly the same way as he now has to deal with them. I would like to call attention to statements made by Chief Justice McRuer earlier this year at the opening of the winter assizes of the Supreme Court of Ontario. Chief Justice McRuer made such statements as the following. I am now quoting from the Toronto *Daily Star* for January 9, 1962:

Our present procedures relating to automobile insurance have made the Supreme Court a great adjustment bureau for motor accident cases.

He complains quite vigorously at the courts having to spend so much of their time dealing with automobile accident claims. He makes the further point that these claims cannot be satisfactorily dealt with in the courts. The Toronto *Globe and Mail* of January 12, published the text of part of Chief Justice McRuer's remarks and I would like to read these remarks as reported in the *Globe*:

There is, however, one thing that I am convinced of and that is that our present method of settling claims for injuries sustained in automobile accidents is more of a guessing game than administering justice. In the first place, we have to depend on the recollection of witnesses who have been involved in an accident or seen an accident. They are asked to state with precision the details of an event that happened in a space of a second or two and an event that was entirely unexpected. In addition they are asked to relate these details in a courtroom sometimes two, three, and I have known, four and five years after the accident.

The witness is asked to tell you when he looked to the right as he was approaching the intersection and he says 100 feet from the corner and he is asked when he looked to the left and he says 75 feet from

the corner and he tells you where the other car was or was not when he looked. The evidence is related as if someone was standing with a stopwatch and a director to measure the time, the distance and the angle of sight. And the courts are asked to give judgment on this sort of evidence.

There are cases I know where there can be no question as to liability but more often than not both parties have been negligent, and then the court or a jury is asked to make another guess and that is to decide the respective degrees of fault in percentages. I can say with some conviction that I never preside over an automobile accident case that I have any real feeling of administering justice according to law.

I submit, Mr. Chairman, that this is a most regrettable situation when the Chief Justice of the—

Hon. Mr. Rowntree: That is about the administration of justice; I represent The Department of Transport.

Mr. Bryden: I am talking about a problem in the administration of justice which arises in connection with laws that the hon. Minister administers. And because of the inadequacy of his laws—

Mr. Chairman: Vote 2001.

Mr. Bryden: Well, I am dealing with vote 2001. I am talking about it in relation to the laws which we now have, with regard to financial responsibility and the unsatisfied judgment fund, and I am pointing out that these laws—or rather their inadequacy—are creating a serious problem in the administration of justice in this province to the degree that the Chief Justice felt compelled to call attention to it—

Hon. Mr. Rowntree: This is completely irrelevant to the vote before us, and I ask you to so rule, Mr. Chairman. I have already assured my hon. friend and colleagues that we will have an ample debate on this.

Mr. Bryden: Well, Mr. Chairman, on the basis of the hon. Minister's assurance that it will be possible to discuss this matter when his bill is before the House, I am quite prepared to leave it at that for the present time. I would merely like to reiterate that there now becomes very little justification and logic for the type of fund he is administering. I am suggesting to him that he should give consideration before he brings his bill in.

I have no doubt that it is in its final stages

of drafting, but I am suggesting that he should now give consideration to following through to its logical conclusion the principle which apparently has been adopted in part. He has now, in effect, adopted a compulsory insurance plan. I suggest to him that he should go the whole stage and establish a public plan which will eliminate the difficulties in the administration of justice to which Chief Justice McRuer called attention.

Mr. Chairman: Vote 2001 agreed?

Mr. Singer: No, no. Mr. Chairman, I want to say a word or two about this. Mr. Chairman, I have listened with very great interest not only to the remarks of the hon. member for Woodbine (Mr. Bryden), but to a couple of interjections from the hon. Minister. Let me deal first with the hon. member for Woodbine who I think is so far off the beam. As usual he has not properly read this report, and I do not think he reasonably understands it.

Mr. Bryden: That may just be your point of view.

Mr. Singer: Well, that may just be my point of view, but I listened very carefully to him and I sat on the—

Mr. D. C. MacDonald (York South): He is expounding what the hon. member for York Centre (Mr. Singer) was expounding when he was seeking the leadership of the Liberal Party.

Mr. Singer: Well, now, the hon. member for York South wants to make a speech for me too. I thank him very much. Now with his permission, may I continue? I thank him very much indeed. Now between the two of them they recognize that they have misinterpreted what is before the House in this report, and I think they have misinterpreted really which direction they are attempting to go. First of all—and perhaps at this point, we should bring the hon. Minister in—there is a substantial difference between compulsory insurance and state-run insurance. There can be compulsory insurance without having the state or the government run it all.

Now Mr. Chairman, for myself and for many of my colleagues here, we believe that the 7,500 men at least who act as agents in the insurance field, and the thousands of people who depend upon them, have a right to earn a living as long as they are providing a reasonable service. And we are not anxious to get the government into this insurance business unless and until it is proven that private industry cannot run it properly itself.

Now that is point number one. I think this is very important, and I would be interested to know if my colleagues here on the far left really believe that these thousands of insurance agents and the people who are dependent on them should be put out of business.

Mr. MacDonald: The hon. member put them out in the hustings.

Mr. Singer: I think this is very important and I think we should hear about this. And I think the people of the province should hear about this.

Mr. Bryden: Does the hon. member want an answer right now?

Mr. Singer: Mr. Chairman, I would be interested, too, in hearing my informed friend from Woodbine explain to us how—even in the great province of Saskatchewan—you can operate insurance without having some provision to take care of drivers of stolen vehicles, drivers who break the law and out-of-state drivers, unless you have something—no matter by what name you call it—similar to the unsatisfied judgment fund.

Now this is another sort of big smoke-screen that they spread in the hope and expectation that people will not understand what they are saying, and believe that they have the panacea for all diseases. I think, too, Mr. Chairman, that some of us should have a very careful look at what they really do in Saskatchewan. In Saskatchewan they have several ideas which I think have substantial merit and they do provide a certain measure—and the hon. Provincial Treasurer (Mr. Allan) knows I have talked about this in the committee, and I have talked about it to him out of the committee—that I think has substantial merit in providing some form of compensation for liability without fault.

Now they have gone to a very minimum stage to do this in the province of Saskatchewan. Their limits, in fact, are substantially lower than the limits that are presently in the province of Ontario. It is interesting to note that when we had on the select committee my good friend, the hon. member for Oshawa (Mr. Thomas) and later his successor from Hamilton East (Mr. Davison) we did not hear this thing expounded at very great length. We did not hear, in this recommendation, about moving from \$5 to \$20—this sort of an objection.

But they did go along on this general paragraph on page 4, and I think this is most important, because certainly I agree with the provisions of the paragraph on page 4 of this

report, and when the committee reconvenes I am going to argue along these lines in the hope that I can convince the committee that this is a better system. The paragraph says this, Mr. Chairman, and I think it is important enough to read it into the record:

It is specifically understood that certain members of the committee have signed a report on the understanding that the recommendations of the majority are a step forward.

I do not think that there is any hon. member of this House who can honestly say that the recommendations as contained in here are not a step forward, and can be implemented easily by legislation in this session—or I suppose by regulation, because the \$20 matter was implemented by regulation rather than by legislation. These members want it understood, and I say I am one of these, that they believe in the principle of compulsory insurance and expect the committee will be reconvened to consider compulsory protection for the people of Ontario.

I think this is most important, Mr. Chairman, but I do not think anything is to be gained by the oversimplification that my hon. friend for Woodbine attempts to make. Nor, on the other hand, by the oversimplification that the hon. Minister attempts to make. I hope I did not detect in the hon. Minister's remarks—when he said that next year it may be \$15, or \$25 or \$35—that he is prejudging, or presuming to prejudge what the next recommendation of the committee will be because, if this is what the hon. Minister implied, then I take very serious issue with him. I am sure I must have misunderstood the hon. Minister—

Hon. Mr. Rowntree: Yes, I would think so, and I would also say that I hope the members of the committee would also have an open mind to deal with the facts as they are at the time when they next meet.

Mr. Singer: I accept that assurance and I am sure that when the committee reconvenes we will have this discussion. We will have it in a sensible way. At a later date when we get on to debating what is in this report, I will have some other remarks to make, but I thought that it was reasonably important at this time, Mr. Chairman, to correct what I thought were some very serious misstatements of fact made by the hon. member for Woodbine. I would even go so far as to say they were misrepresentations as to what had actually taken place.

Mr. Chairman, I thought that it would be

important on this vote—I do not know whether I am in order on this vote, or whether it should be a later one—to talk about a couple of things I spoke about last year. One was the question of compulsory inspection of automobile vehicles and the other was the question of compulsory testing of drivers over a period of time. I am sure that all hon. members—

Mr. Chairman: Order. This is not on 2001.

Mr. Singer: Is this a later vote, Mr. Chairman? All right, I will let this vote go and I will rise on the next vote.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, coming as I do from a municipality that is completely surrounded by water, I was very pleased to hear the hon. Minister mention the fact that the federal authorities will be looking into the problem of water safety on international waters. The city of Windsor was so disturbed with the dangers involved that, on September 11, they passed the following resolutions, and I bring it to the attention of the hon. Minister at this time to urge him to press on the federal authorities the seriousness of the problem.

Hon. Mr. Rowntree: This matter was dealt with before dinner.

Mr. Newman: Mr. Chairman, all right, I will pass from that.

Mr. Chairman: That is not on vote 2001; that is a federal matter.

Mr. Newman: That is quite all right, but the representation made by the city of Windsor was to the provincial government so that they could impress upon the federal government the importance of the matter.

Mr. Chairman: Order. This is not on vote 2001, this is definitely a federal matter.

Mr. Newman: I am sorry, Mr. Chairman; I will go to another item then, and that is the idea of a Canada-wide insurance card. We all understand and realize the fact that an Ontario motorist, failing to produce a separate insurance card while in the provinces of Alberta, British Columbia, Manitoba, New Brunswick and Nova Scotia in the event of an accident, could possibly have his vehicle impounded.

Now the Canadian Automobile Association recommends that the provincial authorities co-operate with the other provinces in establishing this type of an insurance card system. In fact, the Ontario Chamber of Commerce—

Hon. Mr. Rowntree: Might I tell the hon. member that I recognize the problem he is raising. There is some merit in it and we have been working on it for some many weeks back, to try to achieve some order and simplification of this problem as it now exists. It requires bringing into agreement some ten different provincial authorities, and some other related problems. But we are working actively at it and I had a meeting as recently as this week on the subject and will have another one on Wednesday of next week.

Mr. Newman: Mr. Chairman, how am I to know that the hon. Minister is actually working on it? Had I known that, I probably would not have brought this up at this time.

However, I would still like to mention to him that the Ontario Chamber of Commerce, in their policy committee meeting, did recommend that the government make representations to other provincial governments in order to reach an agreement which would provide for a single, all-Canada liability card.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I had some questions of the hon. Minister with respect to this particular vote. One of them deals with the annual report—the last one I have available—and the participation which The Department of Transport takes in the Emergency Measures Organization. Would the hon. Minister tell us how much of the money in this budget is directed towards this operation? How many personnel are involved in this? And maybe a little bit about how The Department of Transport participates?

Hon. Mr. Rowntree: The Department of Transport participates very actively in that programme. We are not a spending authority in that connection and as I understand it the Emergency Measures Organization is now attached to the department of the hon. Attorney-General (Mr. Roberts) and any budgetary allowances will come from that source. We do provide personnel and we have personnel who receive part of their remuneration from the Emergency Measures Organization, two people. Our officials are active in the EMO, as it is called, in the spheres where their knowledge and talents may best be utilized.

Mr. R. C. Edwards: Mr. Chairman, may I proceed with my questions on this estimate? I note under the breakdown of organizations which is shown in the annual report a legal branch. I wonder if the hon. Minister would tell me how many personnel make up that

branch and if he would advise us as to the cost of the legal branch operation.

Hon. Mr. Rowntree: The legal branch as presently constituted—and I use that phrase advisedly, having in mind some other matters we discussed earlier today—as presently constituted consists of two barristers and solicitors and one secretary; permanent and temporary staff of three, involving salaries and a small allowance for travelling expenses and actually a minimal—and I think that is the only word I can use—minimal allowance for maintenance and operating.

In summary, the salaries are \$20,100, including the provision for the normal civil service increases; travelling expenses of \$250, maintenance operating of \$500; for a total item chargeable to this vote of \$20,850.

Mr. R. C. Edwards: In checking through the public accounts I noted that they showed several thousand higher than what is given for fees, assuming that they are legal fees. Are there legal fees as well? In other words, how much does the department spend in outside legal aid?

Hon. Mr. Rowntree: The hon. member heard the debate which went on earlier today, that while under the fund in essence the payments out are made by Transport as of this moment, the legal work has been done by another department of government and that other department of government from time to time retains outside agents and pays them fees. I would say they would largely be attributable—if they are under our public accounts of Transport—they would have to with the fund as we know it.

In addition to that, for instance for the coming year, we estimate payments under item six to agent solicitors, \$55,500; and medical examinations of \$8,000; credit reports \$10,000; settlement committee allowance of \$3,000. The work of that committee, the hon. member may know, has been invaluable to us. A group of outside experts offer advice to the department or the solicitors as to the efficiency or merits of any of the quantum involved.

I would like to mention those three gentlemen, Messrs. Cameron Mitchinson, Hugh Gilchrist and Fred Cox. These men have worked diligently and faithfully for a token honorarium. This has been of great help to the work of the government.

There is a miscellaneous allowance of \$8,500, making a total of \$85,000.

Mr. Bryden: Which item is that, Mr. Chairman?

Hon. Mr. Rowntree: That would be zero four, item six.

Mr. R. C. Edwards: Mr. Chairman, the reason I asked the question: I am wondering whether or not we would not save money by having our own legal department do this work. It seems to me that when we engage these outside firms we pay for overhead, we pay for advice, which should be available in our own departments. The hon. Minister has mentioned that part of this work is done by another department of government.

This is one of the things that I was speaking of this afternoon; I think there could be savings by reorganization of this particular field. I think we should endeavour to do this. I do not think it should be necessary to engage several outside firms because I think we are paying for overhead that we need not necessarily pay for.

Mr. Chairman, I will use the floor if I might, I have some more questions on this vote. Last year I asked the hon. Minister several questions with respect to the payments from the unsatisfied judgment fund. I wonder if he could tell us for instance: out of the payments that have been made, what percentage is the amount paid out to the entire amount of the judgment? Are there any figures to indicate to the House the amount of judgment which was not payable because they were in excess of the limits of the fund? Thirdly, arising out of that, what I am trying to find out is how much it would cost in additional payments to that fund in order to pay the entire amount of judgments rather than the limits that there have been in the past? I think last year the hon. Minister told me he would be able to answer after the select committee brought in a report.

Hon. Mr. Rowntree: Yes. I will try to answer the question in this way.

I cannot give the hon. member the exact figures at the moment, but they will certainly be available for the debate on the bill in connection with the accident fund. There is a direct relationship between any new limits that might be established with respect to the fund and the number of, shall we call them, uninsured owners or participants in the fund.

This leads on to the activity of this legal department and the various points the hon. member has raised, these have a very direct interconnection each with the other. They are all being taken into account with respect to the new legislation which will be brought in. Increasing the limits of the fund—which obviously we are going to do, there is no

secret to that—is designed, as recommended by the committee, to take care of that situation and to reduce it to as low a degree as possible.

Mr. R. C. Edwards: Mr. Chairman, I think that is quite acceptable. I would like to see those figures. If they will be presented at the introduction of the bill, then I think that will give us the same information.

There were a couple of reports on surveys which I brought up last year, which had been conducted by the department of the hon. Minister; one had to do with the accident ratio of drivers with different backgrounds; the other had to do with a study. I think the hon. Prime Minister (Mr. Robarts)—then the hon. Minister of Education—made a comment about a road survey which would be available to us. It was not just quite clear, but I understood that it dealt with the effect of various vehicles on the road and what they were doing to the road. I wonder if the hon. Minister could give us any further information on that?

Hon. Mr. Rowntree: I think the study report the hon. member is referring to had to do with the tri-axle matter which we discussed last year, and at that time I referred to the survey being made in Illinois. It was called ASHO, the Association of State Highway Officials, having to do with roadbeds and various standards of road construction and the effects of various loads and axle bearings and differentials of that sort. That report from ASHO has not been handed down as yet.

I must say that the tri-axle deal we dealt with last year has worked fine.

Mr. R. C. Edwards: Well, I am very pleased that it has. I raised the matter last year simply because I had had representation from those who thought that it would not. But the report I refer to is the one by the hon. Prime Minister, the statement that he made when dealing with these. I think it was on page 972. I have not got the page but it was a statement by the hon. Prime Minister that the department was conducting an extensive survey into the recommendations—I think it had to do with the financing of the roads as well—which would be forthcoming, and that the results in the report would be available to us. I can look that up.

Hon. Mr. Rowntree: I am instructed that possibly the matter to which the hon. member is referring is a study by Professor MacDonald of the University of Toronto in

connection with personal behaviour insofar as accidents are concerned and having to do with the sources and causes of accidents. That report has come in this week in one single copy and I have not seen that report nor did I know that it had been received. There is no reason why it cannot be mimeographed and tabled right away. And I would be glad to do that.

Mr. R. C. Edwards: Would the hon. Minister advise us when we might expect to see this highway finance study, which has been mentioned for two or three years, and the report of the hon. Minister in this House?

Hon. Mr. Rowntree: I take it the hon. member is referring to the one having to do with distributing highway costs among users or adjacent property owners and the population generally, and industry, and municipalities? That study is going on. As a matter of fact, it is a very active matter and is occupying the attention of The Department of Highways engineering and research division as well as almost the entire time of our own transport research division.

Mr. R. C. Edwards: Well, did the hon. Minister say it would be available to us and did he say when?

Hon. Mr. Rowntree: It has not been finalized, but I would be happy during the course of the debate in the next few days—

Mr. R. C. Edwards: Does the hon. Minister expect it will be finalized within the next few months?

Hon. Mr. Rowntree: I doubt it very much, and I have some knowledge of the material that they are gathering and the involvements of the statistics which are being secured. I doubt if that report could possibly be completed, with the subject matter that has to be correlated, before the end of the year.

Mr. R. C. Edwards: Mr. Chairman, I have just a couple more questions. With respect to the survey which was conducted, I asked last year if it would be made available. I think it had to do with a survey which was made to determine whether or not the various propaganda of the department and the methods of sending it out were the most effective. The reason I wish to ask the question is because I know somewhere in the public accounts there were some many thousands of dollars paid out to some of the advertising firms. I wondered if these pay-

ments were in accordance with the recommendation of this survey? I wondered if this was part of this whole programme.

Hon. Mr. Rowntree: Before answering the question, is the hon. member referring to the fact study survey having to do with the distribution or dissemination of information from The Department of Transport to the public?

Mr. R. C. Edwards: Mr. Chairman, I can look the matter up in last year's *Hansard* and explain definitely, but as I understand it, it was a survey which was conducted by the department, and the hon. Minister and I had a difference of opinion. I asked the hon. Minister if it would be made available to the hon. members and after questions back and forth, he said that he would take it under advisement. I think it was a study which was to determine whether or not the method of getting the information out to the public was a satisfactory one.

Hon. Mr. Rowntree: Yes, I recall that situation and I would be pleased to speak on it. Our research branch did a study in connection with drivers' opinions of Ontario's highway safety propaganda and the demerit point system. The study had to do with a sample survey of Ontario licensed drivers with two main objects: the first was to gauge indirectly the effectiveness of the safety propaganda carried out by the highway safety branch. To this end drivers' opinions, and so on, and the relative efficiency of the various propaganda media were obtained. The second object was to discover motorists' understanding and opinions of the driver demerit system introduced April 1, 1959. We secured the assistance of an organization called Canadian Facts Limited. They have had a considerable amount of experience in acquiring this type of information and assisted in the correlation of the answers secured.

Now, I must say, Mr. Chairman, that we are having to feel our way in the work that our safety branch is doing, whether it be through volunteer organizations, safety councils, chambers of commerce, schools, or indeed children in kindergartens and nursing schools. We are constantly trying to assess and appraise the effectiveness of our own work because, frankly, there are not enough hours in the day to do many of the things that we would like to do. And so there is a genuine interest on the part of our safety branch to try to adopt the most effective means of communication on one hand and to drop those ideas or methods of promotion

which appear not to be producing the best results.

This is a matter that is constantly before the Deputy Minister, and we have a committee within our own department on publications which deals with this matter and acts as a check balance on the subject.

Mr. R. C. Edwards: Is the hon. Minister tabling a copy in the House, Mr. Chairman?

Hon. Mr. Rowntree: There is no secret about it. I had not intended to.

Mr. D. C. MacDonald (York South): Mr. Chairman, before we leave the main office estimate, the hon. Minister, on a number of occasions, has referred to his research department or staff. Unless it escapes me, I cannot see any specific reference to research as an estimate, or as a vote. May I ask what size of a research group has he within the department, and secondly, is this group large enough to proceed with that area of research that I dealt with in my introductory comments this afternoon, and is he planning to do so in the next year?

Hon. Mr. Rowntree: The research group, as you indicated earlier, was one of the foundations around which the new department was formed. At the present time, it consists of some 14 staff members, including permanent and temporary staff. There is a seasonal casual staff, that we would like to provide for, of five.

Now this group, at the moment, as I said a few moments ago, is deeply involved with this study of highways finance and that is a pretty important subject. But this group also does engineering research. We have qualified engineers and we work—quite frankly, I do not think it is proper for me to indicate and name the project. I might tell the House and the hon. members that this division and branch works with The Treasury Department to evolve methods of seeing that we collect the appropriate fuel tax in connection with vehicles and trucks. We have some very, not just interesting but important, developments from that side.

In addition to this, the branch is headed by highly qualified economists. Part of their direct duties for the department are to keep the department informed of all developments in other jurisdictions of every nature and kind insofar as transport is concerned, to see how those innovations or changes are working out and to keep in touch with the officials of the other provinces in Canada; particularly with respect to certain matters where Ontario may appear to be in a bit of a squeeze.

I have reference to the supervision of commercial trucking by our neighbourhood provinces on either side and our neighbours to the south of us. They have highly developed systems of rate regulation in connection with truck rates and I think at one point earlier in this debate the hon. member made at least an oblique reference to—at least the hon. member for York South did—he made an oblique reference to this general area. We are trying to keep constantly abreast of exactly what this situation is and how the shippers and the carriers in Ontario are being affected by our Ontario law as it presently exists, and by the impact of the influence from Quebec on the east, Manitoba on the west and the United States and the interstate commerce commission on the south. This is a very important matter, and it has greater significance at this particular time in view of the recent publication of volume 2 of the McPherson report and particularly Professor Curry's comments as well.

Mr. MacDonald: May I ask, Mr. Chairman, one further question? Has the government completely dropped the unanimous recommendation of the toll-roads committee with regard to weight-distance tax, or is it part of this whole highways finance study that the government is now engaged in?

Hon. Mr. Rowntree: Mr. Chairman, on the question of a weight-distance tax, there is nothing new about it. I am going to come right out and tell the hon. member for York South (Mr. MacDonald) that I think it is the most just way of charging the shipping public, or the trucking or shipping industries, with respect to the use of the roads and highways in any jurisdiction that could be found.

Mr. MacDonald: It was unanimously recommended by the committee!

Hon. Mr. Rowntree: Yes, and I say to the hon. member that I agree with it. But the thing that holds us back is the cost of administration. I might tell the hon. member that this whole subject is constantly before me as Minister through this research branch which keeps in close touch, particularly with the State of New York, on its cost of administration—I think it is New York State—and what variables or efficiencies they have been able to work out. That is not a dead issue. It is one of these things that is before me as the Minister every week.

Mr. Bryden: Mr. Chairman, I would just like to follow up on the particular point with which the hon. Minister was dealing. I would

judge from what he said as to the activities of his research branch that they are pre-occupied in the main with problems relating to revenues to be raised from motor vehicles in the province and more effective and more efficient, and perhaps fair, systems of raising revenue. I would judge further that those very important activities in which they are now engaged would leave them little, if any, time to deal with some of the broader questions raised by the hon. member for York South (Mr. MacDonald), that is the whole question of studying more efficient ways of providing transportation within the province—transportation in its broadest sense. The hon. member for Wentworth (Mr. R. C. Edwards), this afternoon suggested that the department should be abolished, I must say that I disagree with him entirely. I think it—

Mr. R. C. Edwards: Mr. Chairman, on a point of order, I suggested that it be abolished, but I did not suggest that the work of the department should be abolished.

Mr. Bryden: Well he suggested—

Mr. R. C. Edwards: I object to hon. members on my left taking it out of context. We are not on both sides of the issue at all.

Mr. Bryden: The hon. gentleman need not get himself into such a flap. He suggested that the department be abolished. I certainly assume—

Hon. Mr. Rowntree: I must say there are times when I think the New Party has a lot of sense in what it says.

Mr. Bryden: I assumed that he intended that the functions should be distributed. But I would suggest that on the contrary, in my opinion, the activities of the department should be greatly expanded. I am not in favour of the abolition at all. I think it is very false economy to save a few thousand dollars in administration on the one hand and involve oneself and the industry of the province in perhaps millions and millions of dollars of expenditure because of inefficient transportation.

The hon. Minister has said that he thinks we have a good idea. I would merely like to ask him if he thinks there is any possibility that some considerable amount of the energy of the department could be devoted to considering this matter in the coming year.

Hon. Mr. Rowntree: I think in all fairness to the suggestion it has merits and, quite frankly, we will look into this situation with a view to advancing that suggestion.

Mr. J. Chapple (Fort William): Mr. Chairman, there is one matter I would like to bring before the House and that is the case where a person gets into an accident and through really no fault of his own has a judgment against him. In this particular case the—

Hon. Mr. Rowntree: Does this have to do with the unsatisfied judgment fund?

Mr. Chapple: Yes.

Hon. Mr. Rowntree: We are not talking about it any more tonight. We are on the votes, as I understand it, Mr. Chairman.

Mr. Chapple: We are on vote 2001, under which I understood we could talk about the unsatisfied judgment fund, so I figured that perhaps I could—

Hon. Mr. Rowntree: I think it might be better if we deferred it until we get to the legislation surrounding the fund and then we will be armed and will give the hon. members a full debate on it.

Mr. Chapple: This has to do not only with fund, but with the department of the hon. Attorney-General (Mr. Roberts) as well and—

Hon. Mr. Rowntree: I cannot answer for him, and I think the Chairman should rule as I have requested.

Mr. Wintermeyer: Mr. Chairman, I, too, was of the opinion that we had not passed beyond the general introductory comments with respect to the first vote. And I would like to make a few brief comments. I will make them as briefly as I can, and support the position that my colleague, the hon. member for Wentworth (Mr. R. C. Edwards), made this afternoon. I thought he made a wonderful exposition of the position that he took and did it very intelligently and understandably. I think he took the position that this was not a personal attack.

But I say to the hon. Minister that all you have to do is take these estimates, and you can see at once that the position of my hon. friends to the left is wholly untenable. There is nothing in these estimates but that which relates to highways. We say now, and we have said for the last several years, that this department—and I hope the hon. Minister understands me; I am taking the same position as my hon. friend did and not relating this personally to him—as a matter of policy, has been wholly unimaginative. It has not seized the opportunity that exists in Ontario

to take advantage of air travel, water travel, road travel and commuter and train travel in the province of Ontario, and co-ordinate them as a unit.

What we are saying is this. We are spending money for purposes that were being handled by The Department of Highways and The Department of the Attorney-General before. These votes introduce nothing new whatsoever. The other departments were doing exactly this. There is no demonstration that a new and imaginative programme has been enunciated or is being undertaken. And it is because of that that we say, in all truth, that it is time to call a halt. We would like an imaginative programme undertaken; we would support one, but we do say that there is no evidence here, and therein is where I quarrel with my hon. friends to the left.

Mr. Chairman, reference was made to a meeting with the hon. member for Victoria (Mr. Frost) a year ago or two years ago. I think I am free to say exactly what took place at that meeting. Mr. Donald Gordon made a very simple proposition—and a very hardheaded businessman he was in making it—that what you require here in Ontario, particularly in the Metro area in respect to urban or urbanite transportation, commuter service in this area, is a hardheaded transport czar.

Now, make no mistake about it, you have to co-ordinate taxis, buses, underground travel, subways and your train transportation within a radius of 100 miles of Toronto. This is where the provincial government can take a lead. And let no one tell me that this is a federal matter any more than they can tell me that travel by water is a federal matter. The most prominent authorities in this land contend that the water problem has not been solved; and one of the things that the department could do would be to determine what responsibility, what authority the provincial government has in respect to travel. It has not been solved at all and The British North America Act has not been effectively tested in accordance with the land.

I am simply saying this, Mr. Chairman, to those who placidly say—and the hon. members to the left did say it—it is federal in authority. The simple fact, Mr. Chairman, is that this very important matter has never been effectively tested in the courts and I suggest to you that there are cases in the courts now that may result in revolutionary ideas in respect to these problems. But we in this Legislature should take the initiative and I suggest to the hon. Minister that he

use his authority and his influence to bring to the attention of the courts some of these problems in respect to waterways.

But now let me get to commuter problems. It seems to me—

Hon. W. M. Nickle (Minister without Portfolio): Does the hon. leader of the Opposition want to state a case?

Mr. Wintermeyer: Yes, a stated case or whatever, sir, to the courts, to settle on some of these problems. I think Mr. Justice Gale, for example, is vitally interested in this very problem right now in respect to Lake Huron. And there are others who feel very strongly that this problem has never been effectively determined. I think we should, because we are going to have to meet it some day.

Now in respect to commuter service, I suggest to you that within 25 years there will be an effective co-ordination of all our commuting services within a radius of 100 miles of all Metropolitan Toronto. Now, that is not a federal matter. I suggest to you that the railway companies—both railroad companies—would co-ordinate and co-operate with the department of the hon. Minister. Mr. Gordon said so in the meeting that was referred to.

He would rent lines to you for given periods of the day. He would rent equipment; but he wants somebody in charge. He does not want a multitude of people exercising a multitude of different ideas. This is good business and this is hardheadedness, but this is what Ontario needs today. And this is what we expect of this department. Let it step a little bit into the unknown; let it go beyond the conventional; let it do the thing that is foreseeable in the course of the next 25 years. Let it begin now. The department as it is functioning now is nothing more than an administration extension of The Department of the Attorney-General and The Department of Highways.

I have the greatest of confidence in the hon. Minister as an administrator. He is doing as good a job as anyone can do, but I suggest to him that the government has not given him the authority, the encouragement and the go-ahead that it should, because what we want—and what the hon. member for Wentworth (Mr. R. C. Edwards) wanted and said explicitly this afternoon—is that this department be used in an imaginative way to do the job of co-ordinating all the facilities of transportation that are required over the period of the next quarter of a century. And it is not being done, Mr. Chairman.

Hon. Mr. Rowntree: Now who said this was not being done? The only thing the hon. leader of the Opposition makes me think of is this—that old maxim that you cannot approbate and reprobate at the same time.

Mr. Wintermeyer: Well, now, Mr. Chairman, I say this: It was Galbraith, I think, who created the phrase, “work fast”. He said: “Legislators and politicians are inclined to make a statement, suggest a proposition and interpret it to be fact.” What the hon. member has said is not going to make regional planning come into being. What my hon. friend to my left has said is, research will not do this job; my gosh, we have had enough research. But we have all the facts necessary now to make some constructive decisions and it is the hon. Minister who has the responsibility at this particular juncture to do the hardheaded decision-making judgment.

Mr. Chairman, we want action; we do not want any more research. Certainly a limited amount of research is required but we have the facts. We have enough information. We have enough information to start to take the positive step that will do something about co-ordinating all the facilities of transportation that I mentioned.

And, Mr. Chairman, with that thought I heartily endorse what was said earlier by my good friend, the hon. member for Wentworth (Mr. R. C. Edwards), and I reject the proposition that we would destroy the concept that I have tried to enunciate here. We are for it, and we are going to bring it into being, but it will not be brought into being by using this department as an adjunct of The Department of the Attorney-General and The Department of Highways. The simple fact is that Parkinson's law is applicable in these instances. If we permit the hon. Minister to go on and do a good administrative job of highway zoning, then we are denying his ingenuity and denying him the opportunity to exercise the type of leadership that the people of Ontario are looking for in this particular department at this time.

Mr. Bryden: It is not entirely clear to me how the hon. leader of the Opposition (Mr. Wintermeyer) expects that the department's functions will be expanded when the department is abolished. That escapes me entirely.

We have been taking the position that the department functions should be greatly expanded into a new area. I take it that the hon. leader of the Opposition has come around to our point of view. Even though he hates to admit it, I am glad to see that he

is now supporting it. I would suggest to him, however, that it is by no means as simple as he suggests.

One of our great troubles, both in the metropolitan area and beyond the metropolitan area, is that we have no co-ordinated plan of transportation, and I think it is high time that we had one. I will not, Mr. Chairman, dwell on that particular point because I have had for some time a resolution on the order paper dealing with this subject. I am always an optimistic type, I always hope that perhaps some day the hon. Prime Minister (Mr. Robarts) may call that resolution for debate and I will discuss it more fully then.

However, I am happy to note that the hon. leader of the Opposition, even though he does not seem to fully realize it, is now coming around to what I think is the constructive approach to the work of this department, which is, namely, to expand it into a very important, indeed, an all-important, new field.

There is one question I would like to ask, Mr. Chairman. May I ask which vote covers the question of control of vehicle noise? Does that come under the vote we are now dealing with, or does it come under some subsequent vote?

Hon. G. C. Wardrope (Minister of Mines): Mr. Chairman, I just wanted to say a few words about the talk of the hon. leader of the Opposition (Mr. Wintermeyer) a moment ago. He seemed to me like a young man in a great hurry.

Now when we consider this Department of Transport and the time that it has been operating—four years—and what it has accomplished, I think that it is another indication of the way this government gets things done. As we go along these highways, Mr. Chairman, and see the tremendous advances in vehicle safety; the way there has been driver control brought in, 97.5 per cent of the motorists in this province now carry insurance—actually the hon. Minister will find it is almost 100 per cent, I imagine—all these different things have been done, Mr. Chairman, in four short years; a department raised and safety brought to a high standard.

Now, just leave it to this government, Mr. Chairman. Hon. members will find that probably what they are suggesting tonight to be done all at once—get the airplanes and the boats and the cars and everything else all into one pot—Mr. Chairman, I would say that is ridiculous talk. It is emblematic of what the Opposition at times say. They

know they will never have any authority to do it, so they can say it.

I wish to compliment the hon. Minister and his staff on the tremendous strides that have been made in this field in the last four years. Many things have not been brought out tonight. I come from an area where they are drawing 70 and 80 foot long tiling on these highways. There are many safety factors of that kind that the hon. Minister and his department have to correct. In every instance they have made it possible for operations to be carried on that ordinarily, under The Department of Highways probably, would not be possible.

This is a department that is making great strides. It is making a great impact on the safety record of this province.

Mr. Chairman, I wanted to add those few remarks after that very great speech that the hon. leader of the Opposition made about getting everything in at one time. Do not forget, Mr. Chairman, that they are not kidding the public a bit in talking about these great things and doing them. We will do them properly as they come up, one by one.

I wish to compliment the hon. Minister and his staff very highly on this report he has brought in. I think we have debated it enough in foolish terms. Now let us get on with the business and get the estimates through.

Vote 2001 agreed to.

On vote 2002:

Mr. Bryden: Is the hon. Minister prepared to answer the procedural question I asked a moment ago as to what vote the question of noise comes under? With these children over here, Mr. Chairman, I cannot hear what the hon. Minister says.

Hon. Mr. Rowntree: My answer to the question is that it does not necessarily come under any vote. The Act itself provides for any municipal anti-noise by-laws to receive the approval of the department.

With respect to the report of that committee which was tabled yesterday, I have already assured the hon. members that there will be adequate opportunity to debate that subject at an appropriate time.

Mr. M. Belanger (Windsor-Sandwich): Under vote 2002, I would like to ask the hon. Minister if he happens to know the number of hearings that were held by the Ontario transport board outside of the city of Toronto during the past year and in what centres?

Hon. Mr. Rowntree: Mr. Chairman, I could probably get that information in a matter of a few moments. The report of the Ontario Highway Transport Board has been transmitted to the hon. Provincial Secretary (Mr. Yaremko) this morning, but he was engaged in other business and not in the House. It had been my hope that the report would have been tabled in the House before the orders of the day today.

The number of hearings generally runs around between 2,500 and 3,000 a year and they sit largely in Toronto, sometimes in two panels. On other occasions, according to the exigencies of the situation and the balance of convenience of the witnesses, the parties will attend and hold hearings in other parts of the province, including the lakehead, northwestern Ontario, western Ontario and so on.

Mr. Belanger: Thanks.

Mr. MacDonald: Mr. Chairman, I do not know whether the hon. Minister happened to have noticed in the official publication of the automotive transport association an account of a recent bankruptcy that had or might have reference to the Ontario transport board. It was the bankruptcy of the Forins Transport Limited in St. Catharines. It apparently paid 9.3 cents on the dollar when it was declared bankrupt, but the condensed statement at the time of the bankruptcy, one quotation from it read as follows:

The company has no assets except for the operating licence which vests in the shareholders.

Then they go on to point out that very shortly afterwards there came before the transport board a request on behalf of one Gibscoe Transport Company for an interim PCV licence "for the haulage of trailers and their contents of Forins Transport Limited". Now the interesting thing is that the president of the bankrupt company was one J. K. Henry, and the new company that got the interim PCV licence, in effect to carry on the business of the bankrupt company with trailers that did not exist according to the statement when they declared their bankruptcy, is also one J. K. Henry, who is general manager of Inter-State Building Products, who in turn own and control Gibscoe Transport.

So we had a bankrupt company with a president and it had nothing to haul. But suddenly the Ontario transport board gives a licence to another company which is owned by the same man. Now the question they ask here, and I think quite rightly, is

if, as the current president of Forins Transport Company, the company has not assets, whose trailers are Gibscoe hauling? And the concluding paragraph is:

Unfortunately, the Ontario trucking industry is plagued with too many 10-cent on the dollar deals. Some industry suppliers have cut out their fancy crediting. The government should take a real hard look at the current situation and refuse to approve sales or transfer of licences unless creditors are satisfied in full.

I want to ask the hon. Minister if he is aware of this particular instance, which was spelled out in the 88 obligation; to what extent it is a wider problem because, unwittingly or otherwise, the transport board is an accomplice in permitting the continuation of the business of a company which has declared itself bankrupt and unloaded its debts on the creditors.

Hon. Mr. Rowntree: Mr. Chairman, the point that the hon. member for York South has raised is a very important one and is one that concerns me very much.

In answering this question, may I divide my answer into two parts: First, the situation where a bankruptcy occurs of some individual or limited company which holds a PCV authority, which is a valuable asset. Now let us assume the situation where a buyer comes along and offers to buy the licence from the trustee. The position I am trying to establish for part one of my answer is that the sale of the assets of the bankrupt company, including the licences is, as far as we know, at arm's length to some purchaser.

Now in that situation, the policy has been that the purchaser should have every opportunity of acquiring that licence and having it transferred to him. The reason for that is that it is probably the largest asset that the bankrupt company has, and will provide the greatest proceeds to satisfy the creditors. It is not the bankrupt owner that we are concerned about. It is those creditors who might only get nine cents apiece. Now nine cents is a pretty low figure, but not unusual in a bankruptcy, and you have to look closely at the facts and see just what gave rise to the situation, and so on. But we are concerned with the position of creditors, and while I do not know the details of that particular instance, I do know that I have referred two similar cases, where companies got into financial trouble—I have referred, in my capacity as Minister both instances back to the board for a re-hearing

and a review when the facts could be put on the table.

Now, coming to part two of the question. As to any bankrupt operator—and this is my view as Minister—as to any bankrupt operator going into bankruptcy and then coming along under another name and buying out at a few cents on the dollar, it is immoral, improper, and I do not intend to countenance it. I shall look at the legislation immediately. This was the subject of a discussion at a meeting with the chairman of the board yesterday. That is the principle in this case, and if the legislation needs to be remedied, to implement the type of policy that I have stated I believe in, it will be done at this session.

Vote 2002 agreed to.

On vote 2003:

Mr. Singer: Mr. Chairman, on this vote, there are a couple of points that I raised last year in which reading through *Hansard*, page 955, we did not seem to get too far and I think they are worthy of repetition.

Perhaps as an introduction to these I may say this. I am sure that the hon. Minister is aware of the rather unique record in highway safety that was achieved by the former governor of the state of Connecticut. It was a record that was probably without parallel in highway safety in the whole of the North American continent. It was recognized by the voters of the state of Connecticut and subsequently recognized by President Kennedy when he accepted the governor's eminent qualifications and elevated him to an important post in his cabinet.

Now it seems to me as I have studied what they did in Connecticut, that the secret of their success was strict, impartial and frequent enforcement, and it is my opinion, Mr. Chairman, that what we lack—

Hon. Mr. Rowntree: Almost unreasonable enforcement in the case of Connecticut.

Mr. Singer: Mr. Chairman, the hon. Minister will have a chance to reply after I am finished.

Hon. Mr. Rowntree: No, but in the spirit in which we are talking, you could have your licence suspended there for one single conviction of speeding.

Mr. Singer: Mr. Chairman, I think this is something that the hon. Minister may consider to be unreasonable. However, the fact is that the voters of the state of Connecticut

did not consider it to be unreasonable. In fact, after the governor had had his first term in office, he was elected by what political observers down there called for the first time a political fluke. He went back and sought re-election, and was re-elected by the greatest majority that any governor of Connecticut was ever given.

An hon. member: On the one issue?

Mr. Singer: On the two issues. This issue and building more highways. The two of them together, and this also was reflected in the accident statistics in the state of Connecticut. It may be that the hon. Minister considers it unreasonable, but it had two effects. One was that it was politically successful, which is the one that many of us look to as an important one—many members of the House. And the other thing was that it reduced the incidence of accidents and deaths and injuries, and this is a most important thing.

Now I do not think that what was done in Connecticut was unreasonable. I think that it was a great step forward and along these lines, I wanted to get the hon. Minister's idea about what has been talked about in the press for the last few days. Does he propose to relax the disqualifications under the points system? There was a newspaper story. It was not really attributed to anybody. It seemed like a sort of flyer, but the hon. Minister is the one who can tell us. Is it proposed to relax the disqualification of people like travelling salesmen from three months to one month? Perhaps we could deal with that one first.

Hon. Mr. Rowntree: Well, before we deal with that, let me say to the hon. member for York Centre (Mr. Singer) that when he refers to the governor of Connecticut, I would like it made amply clear that I neither intend nor desire, nor will seek to run for the office of governor of Ontario. But—

Interjection by an hon. member.

Hon. Mr. Rowntree: No, it was a very interesting thing. One of the things that happened to our party last fall has made us stronger than ever.

Mr. Singer: Has the hon. Minister looked at those by-election figures recently?

Hon. Mr. Rowntree: Now there are several things to look at when one refers to Connecticut. Everything is relative and has to be taken in its right perspective.

First, Connecticut is a relatively small state, an area in which the supervision and administration required is substantially different from conditions which generally exist in Ontario. I am not saying they are impossible, I do not say that at all, because I will agree with the hon. member in his remarks that there is no absolute answer to these questions. We have to discuss them rationally and take all factors into account, in trying to achieve the result which I think all of us in this House want to achieve, and that is an improvement in the accident picture.

Now let me make it abundantly clear to the House that the reason that the merit point system was reviewed during last summer and fall was because it had been in operation, as of last April 30—that is April 30, 1961—for two years, and that was the first period against which we felt sufficient statistics had been gathered on which to base a reasonable or intelligent conclusion.

Now, it is not my intention to do anything that will weaken the demerit point system because it has worked very well. In fact, it is going to be toughened up with respect to two types of offenders, namely, those driving while under suspension and hit-and-run drivers. The penalties for those offences are going to be increased.

To make the system work—and I think I might take a few minutes and just deal with this, because there is no secret about what I propose to do—there are going to be offences that might vary. We can only deal in multiples of one, and where the ratio of importance appears to us really at 2.5 or 2 or something like that—I do not know, but that could be. But, in any event, it would appear to us that the letter at six points and the interview at nine has had a very salutary effect on those involved.

But some of them accumulate these points at too rapid a pace and the time left after they have had the letter and/or the interview is not sufficient at 12 points for them to benefit from the lesson they have learned. And it may be that perhaps the points total should be increased to 15, with a general increase of some of the other offences by one point in some instances—the total would be 15—and with a tightening up in the other areas, to which I have referred.

We are talking about suspension arising from accumulation of points. There is another serious group which I regard as the knock-out group, the charges and suspensions of which are automatic arising from motor manslaughter, dangerous driving, drunk driving,

impaired, and matters in that serious category. Now for that group I have no sympathy whatever, none whatever. But for those whose licences are suspended where those serious offences have not been involved and where there has been no liquor involved, for those other suspensions arising from an accumulation of points, I think we have to take a hard look at what the consequences are arising from the three months' suspension.

The consequences would appear to be these, and if the hon. leader of the Opposition (Mr. Wintermeyer) and his hon. colleagues wonder what we do with our time, I spent a considerable amount of my own personal time this past year on this very subject. It would appear that the hardship from a three-months' suspension arises in this fashion, that it is not the offender who is affected but it is his wife and children. The average employer will find alternate employment for a period of one month, but in the case of three months it is too long a period and in too frequent and too many instances the offender loses his source of employment. The real victims of that catastrophe are the wives and children who are involved.

I have not come to a conclusion about this and I am simply answering a question raised by my hon. friend. I do not want to precipitate a debate on this because I have not come to an absolute conclusion on this as yet myself. But I want to be fair and tell hon. members what is in my mind.

Where there is no liquor involved and where those serious offences are not involved and where the driving of a vehicle is required to earn a living and where a wife and children may be involved, maybe the three months is too long in that circumstance. I do not think that that would constitute a weakness of the point system.

Mr. Singer: Mr. Chairman, I cannot quarrel with the hon. Minister when he says he is having a very careful look at all these circumstances. I think that is most important and most appropriate. But I do think that if the time has come for the changing of these regulations for the considerations that the hon. Minister has outlined, that there should be great care exercised in making sure that one person is not treated in one way or another in a different way, that he make fish of one and fowl of another.

In other words, it may be that in the less serious category a three months' suspension across the board is too much, that perhaps it should only be one month, that the one month would be effective. But I think very

great care, extreme caution, should be exercised in saying that in the group that are going to be suspended, be it one month or three, that because one happens to be involved in driving his car as part of his employment, that he should be treated differently from somebody else who has done the same thing.

I think if we categorize the offences rather than the persons that it would be fairer, because I think there is a very serious danger in that once we start making exceptions that the line between the exceptions is very hard to draw.

How do we know that "A" needs it for one month, and "B" should have it for three? I have no objection, and I am sure if the hon. Minister comes down with a reasonable differentiation between categories of offences and they apply to all people who fit in those categories, I do not think he is going to hear very many complaints from those of us on this side. But I think there will be—

Hon. Mr. Rowntree: That is the problem that is giving me trouble right now.

Mr. Singer: But I do think it is most important that, once the categories have been established, all people who come within those categories be treated in the same manner.

Now, Mr. Chairman, I wanted to refer to two other subjects. One was the subject, as I said, that I dealt with last year, and that was the question of compulsory vehicle inspection. Since the debate of the first estimate of the hon. Minister, he and I and a number of hon. members of the highway committee journeyed to the inspection centre on Highway 401. Interestingly enough, neither the hon. Minister's car nor my car got through the inspection line and got a stamp of approval. These were two cars of comparatively recent vintage, but they showed minor defects in both our vehicles. I only say this by way of indication that there are many cars on the road, that there must be thousands of cars on the road, that have defects; many of them much more serious than the defects that were discovered in the hon. Minister's car or my car. This brings me back to the statistics which I quoted—

Hon. Mr. Rowntree: I wish the hon. member would not say that too loudly, I am trying to sell it.

Mr. Singer: Well, I am sure the hon. Minister has had it fixed since that time.

The statistics that I quoted last year indicated, I thought to some reasonable extent,

the incidence of accidents that took place because of defects in the vehicles. The hon. Minister will remember that I quoted statistics from the city of Vancouver which indicated some of the results of compulsory vehicle inspection. Might I then ask the hon. Minister if there are any plans to make vehicle inspection compulsory or to expand on what is presently available through inspections provided by his department?

Hon. Mr. Rowntree: The answer to that question is that we do have a major programme being lined up, to which I made reference this afternoon, when we will have five mobile units manned by teams travelling across the province working with municipalities and local safety councils. It will not be on a compulsory basis, but it will be on a voluntary basis.

We hope to make the visit of these units to the various centres and municipalities the occasion of Safety Week. This will commence as soon as the snow and ice is off the road and people can walk around and stand around without being in zero weather and, Easter being late this year, immediately after Easter they will probably be on the road.

Depending on the response that we get from that programme this summer, particularly by the time we sit next fall, we should certainly have had sufficient experience to determine the next step in this programme. I agree, quite frankly, that vehicle inspection is of major significance in any safety programme, but we have a practical problem.

Rome was not built in a day. I cannot build buildings in every town and so on across the province. But if I can get sufficient support and a reasonable support from the public, then it puts me in a good position to advance the programme and go to the Treasury Board for the hon. member knows what.

Mr. Singer: Mr. Chairman, I am most impressed with many of the things the hon. Minister has been saying today. This marks for me a real departure from some of the things we have heard in other departments. I believe what the hon. Minister says when he says that he has a sincere belief in the importance of vehicle safety and that he is prepared, as a result of these new steps, to look very seriously at the question of compulsory vehicle inspection.

There cannot be any quarrel with the results that have been achieved in the city of Vancouver as a result of compulsory vehicle inspection. It is not something that

can be set up over-night, but I accept, with great pleasure, the hon. Minister's assurance that they are going to expand the programme they presently have and over the summer, or in the fall, have another very careful look at it. Next year we will have another little talk about it, perhaps in these estimates.

Hon. Mr. Rowntree: There is one point that I have overlooked which is also significant. That is that we could extend vehicle inspection on a compulsory basis right now on a selective grouping. I omitted to refer to that, and it might be that all vehicles over a certain vintage could not be registered without there being a safe certificate in the owner's possession. We have a grouping now, as you know, with respect to school buses. That school bus programme had more significance to us, and was more important than the public knew because it was out of that school bus compulsory examination that we gained the experience and trained our staff to go on with what the hon. member and I are talking about today.

Mr. Singer: Mr. Chairman, to be absolutely fair, the school bus compulsory inspection was brought about by a tragedy, and I hope that it is not necessary that we have another series of tragedies to get really down to the basics in this matter.

The third point that I wanted to raise, Mr. Chairman, was this, and it was another point that I dealt with last year relating to the compulsory testing of drivers. As the hon. Minister knows, there are categories where there is compulsory testing. The hon. Minister's predecessor used to announce from time to time that a new system of licensing was going to come in. We were going to get licences issued on the birthday anniversary of the person who was getting the licence. This was to give opportunities for more careful examination of the licences as they went out; more orderly procedure in the department and more opportunities to check. The results of tests of applicants for driving licences, the figures as I would call them, are that one in three fails in the tests. I do not know how closely that can be related to those presently driving on the road, whether one in three is capable or incapable. I suggest to the hon. Minister that there are not any such statistics available, and that the only way that there might be some available is if there is some compulsory and periodic check. I do not think it is reasonable to suggest that every driver be re-examined every year, but as I mentioned last year, perhaps once every five years in an orderly rotary system. I think that this would do a

great deal for improving the calibre of drivers, and for cutting down on what we all abhor, this great accident toll.

Hon. Mr. Rowntree: Mr. Chairman, the hon. member is quite right. There have been numerous statements about the question of the renewal of licences on the anniversary of one's birthday at three-year intervals. In fact I have made that statement myself on many occasions. It may be of interest to the hon. member and he must understand that we have 2.3 million drivers in the province, with over 2 million registered owners and just under a million transfers of ownership or changes of address. We have substantially over five million individual entries and the department has reached the limit of its manual capacity.

This means that to keep our record system up to date and to provide for the future we must go into the machine business. From those machines will come the information—when you punch the right button—which will bring down the people who require this re-examination at such interval as may be determined at the time it is initiated.

We could not get that going last year, so it was talk, but in this year's plan we propose to spend, in Transport, \$270,000 in mechanizing the department. We are already, we hope, getting under way to prepare for the transposition of the information from each of those 4.3 million onto cards which can be digested by these machines. It will take about a year and a quarter to accomplish this and it would appear that the system which we both agree upon is desirable and will become effective. I am not stating the interval of re-examination, but that will become effective in January of 1964.

Mr. Singer: And this will be compulsory for all drivers over certain intervals?

Hon. Mr. Rowntree: There will be a transition period. By that time I hope I am still here and I will be trying to do the best job I can.

Mr. L. Quilty (Renfrew South): Mr. Chairman, in keeping with the hon. Minister's opening remarks, the hon. Prime Minister (Mr. Robarts) has issued orders that safety belts would be installed in all departmental vehicles. I first of all want to commend the hon. Prime Minister on this and I would like to state that in recent radio broadcasts, and in the papers, we have been told that many of the safety belts being offered for sale do not fulfill their purpose. Has the hon. Minister any standards that he would insist on for the departmental safety belts?

Hon. Mr. Rowntree: There are no standards set out at the moment, but if it is apparent that the public is being fleeced on a matter which involves human life, and accident potential, you may have my word that I shall take the appropriate steps to see that the promoters and entrepreneurs and dealers are not permitted to get away with it.

Mr. Bryden: Mr. Chairman, I would like to suggest to the hon. Minister there is already a substantial degree of evidence that many safety belts being put on the market today are less than adequate. One thing that is worse than no safety device is a safety device that does not work because it creates a false sense of confidence. But the Consumers' Union, at the suggestion of the division of special health services of the U.S. Public Health Service, conducted a study of safety belts commonly on the market in the United States—and much the same brand is on the market here. It published its results last October and I would like to draw these results to the attention of the hon. Minister. I may say that the Consumers' Union had in previous years conducted tests of safety belts but these tests were all what are called static tests. The Consumers' Union is not satisfied that they are sufficient and decided in its latest effort to conduct dynamic tests. In order to do this it had to go to Sweden to find suitable equipment, but it made an arrangement with the National Institute for Material Testing in Stockholm to test safety belts on the market in the United States.

One interesting fact that comes to light is that this Swedish agency was very reluctant to test any of the safety belts that the Consumers' Union put before it because it considered all of them to be unsatisfactory. In Sweden a safety belt is acceptable only if it has a shoulder or chest harness. The Consumers' Union states that the tests both in Sweden and in this country indicate that such belts, when properly made and installed, can give far more protection than a lap belt alone. So we start from the proposition that all or most of the devices that are now offered here are unsatisfactory to some degree.

But even eliminating that consideration and taking the lap belts, without any consideration of the basic inadequacy of all of them, the Consumers' Union submitted all that are commonly available in the United States to the dynamic test which was available with this Swedish equipment. It found a substantial number were totally unacceptable and a good many were not very good. And I may say, Mr. Chairman, that included in the belts that were considered quite unacceptable were some that were put out by the automobile

companies; not in all cases or in many cases, but in some cases.

I think that this is particularly regrettable. As a matter of fact I purchased safety belts with the last car I got and I just assumed that the belts, made by the manufacturer himself, would be quite suitable. I found that the ones I got are so-so; they are not good, but they are better than some which the manufacturers are putting out.

Another problem is that different models of the same brand of belt can have greatly varying degrees of performance. Within the same general brand name, you have a range all the way from top standard, as far as American belts are concerned, right down to unacceptable, so that it is very confusing to the public to know exactly what sort of belt to buy.

One of the difficulties has been that until very recently the manufacturers all resisted the notion of having safety belts in cars. They have now accepted it. In fact, I believe that on the new models they have at least provided as standard equipment the fittings on which one installs belts.

However, they have resisted in the past and I think that one of the great problems that all administrations are up against in improving highway safety is the fact that manufacturers seem to be far more interested in spending money on ways and means of putting new fins or new pieces of chrome on cars or otherwise appealing to irrational consumer preferences, and very, very little on study of safety. If manufacturers would spend a fraction of the money on safety that they spend on some of these other things, I think problems of government administrators would be simplified.

Hon. Mr. Rowntree: Would it assist the hon. member if I say that apparently my own department is far ahead of the Minister in what it does from day to day? Apparently the department has already been in touch with the Canadian Standards Association with a view to establishing some acceptable standard which would lead to some marking device or some sort of arrangement which might very well have the whole solution to this problem.

Mr. Bryden: Well, I think perhaps that is a solution. Several states in the U.S., I believe, now require that belts sold to their residents must be able to pass the static test. As I understand it, California is the only one at the moment which requires a dynamic test which is, I believe, a much more satisfactory test. But I think it is imperative

that at the very minimum the government should at the earliest possible date bring in regulations setting minimum standards for belts which will be permitted for sale in Ontario. I would feel that they should go further and require that belts meeting certain acceptable standards should be compulsory as standard equipment in all cars. Whether they are willing to go that far or not, I think at least they could protect the public, or that section of the public that wants to buy safety belts, by at least insuring that the belts on the market will serve the purpose for which they are designed.

One other matter I would like to inquire of the hon. Minister, and this may be the appropriate vote: Is his department giving any consideration to the problem of exhaust fumes emitted by motor vehicles? I believe that there are now suppressors that can help to reduce the incidence very greatly. The hon. Minister of Energy Resources (Mr. Macaulay), at an earlier stage in this sitting of the House, indicated that in his opinion exhaust fumes were an important factor in air pollution in cities.

Certainly there are other studies to that effect, and fumes may be an important factor in lung cancer and other diseases. I would think that it would be desirable, if even partially satisfactory devices have been discovered, to require manufacturers to install those devices on the exhausts as standard equipment.

I did start with a question and then a long explanation. Perhaps the hon. Minister may see fit to answer the question?

Hon. Mr. Rowntree: The department is keeping in close touch with various bodies which are conducting active research on this subject. At the moment, having in mind the reciprocal arrangements which exist with respect to motor vehicles in the various jurisdictions, the question of enforcement in any one isolated jurisdiction of any particular by-law raises some very serious complications and problems. We feel that sufficient research at the moment has not yet been done in other North American cities. nor are there enough cities on the continent—we have to think in terms of the continent—whereby any legislation could be enforced at this point. It is a matter that is before the department constantly and it could very well be that even if certain developments materialize that even next fall we might feel prepared to advance something which would be effective.

I am sure the hon. member will understand that legislation must not be enacted

just for the sake of enactment; it must be good legislation, at least legislation in which we believe and legislation which has a fair chance of being reasonably enforced for the purpose for which it was enacted.

Mr. Belanger: On vote 2003, item No. 4, I remember the hon. Minister saying a little while ago that it was hard to assess the way they were spending the money for safety publicity. Now I would like to stress to the hon. Minister that last year I happened to be in the highway safety meeting and a film was shown which could be used in the schools. In fact I was interested in getting the film to be shown to about a thousand patrol boys from the city of Windsor as they were at that time having some gatherings where this could be done. It was enjoyed to quite an extent and was very beneficial. Unfortunately we could not keep the film for an extensive time because the department wanted it back.

I would like to suggest to the hon. Minister that if he has other types of safety films that could be used in schools, that perhaps if he were to send to the various schools a list of these films it would be quite a help to them. Very often we try to find out where we can possibly get some of these films to promote safety among school children and invariably we have to go to the United States.

If he would have a list of the films he does have, and also a list of films he knows can be found elsewhere in Ontario, this would be appreciated by the schools to quite an extent.

Hon. Mr. Rowntree: Mr. Chairman, there is no problem there and we would be glad to arrange for this information to be sent to the hon. member, and indeed to the various schools, which he has suggested. As a matter of fact our department has recently completed a film library for this very purpose. Films, of course, are very expensive items, bearing in mind the various prints and copies in the French version where they may be useful. We have one \$30,000 project this year which is going forward. We find this a very effective method of arousing interest and of getting the safety methods across.

Mr. Belanger: Mr. Chairman, I want to make my point clear. I am not suggesting to the department that they should get some films made; all I am suggesting is that, if they have a list of films to be had from different sources in the province, they let the schools know what they have and that these films be made available in these locations or in

their department, because that is what we would like to know.

I have another point that I would like to mention. In his remarks this afternoon he mentioned the "Elmer Safety Programme." This programme has, I believe, been very effective in promoting safety among school children, especially children just starting to school in the kindergarten up to grades five or six. Again I want to suggest to the department that they should give more encouragement to this programme and perhaps let the schools know about this programme. This is something the department could do to promote safety among the school children. I think that it has been proven in the city of Toronto here and we in the city of Windsor also have put it in and it has proven very, very effective. But let us get it across the province, that is the point I am making.

I want to say also that for the past couple of years I have mentioned the Ontario Traffic Conference. Now, I would like to ask the hon. Minister, when he contemplates traffic changes, or changes for safety, which organizations give him the greatest assistance? I would like to ask that question.

Hon. Mr. Rowntree: I do not think I can answer that question with a simple "yes" or "no". The Canadian Highway Safety Council and the Ontario Safety League operate in different spheres from each other, but the Ontario Traffic Conference operates in a distinctly separate sphere. It operates more in a technical way, having to do with technical problems, the technicalities of police enforcement, of by-law enforcement, of the mechanical problems of lights and of installations and of traffic devices.

As I said this afternoon, they are doing a tremendous job and indeed my department has used them during the past year and has referred several problems to them. They have been very helpful. But the Highway Safety Council and the Ontario Safety League operate in a different fashion and have different types of programmes. Their programmes are more directly concerned with individuals and groups representing the public.

Mr. J. P. Spence (Kent East): Mr. Chairman, I would like to ask the hon. Minister a question. I believe last year in his estimates he indicated that standardization of traffic signals throughout the province of Ontario was the responsibility of his department. We know from travelling on some of the newer highways, the traffic signal that is very, very

easy to see. We turn off these highways into our towns, villages and cities, and we find the traffic signals are quite a bit smaller and maybe a little harder to see and we have some of our citizens having accidents, not noticing these signals.

I know these devices are very costly to the towns and villages, but I do realize it is a hardship too, for some of our citizens when they have accidents, where they lose their licence, sometimes for 15 days, by going through a red light, also having to pay a fine and filling up some points on their demerit system.

I would just like the hon. Minister to outline what has developed since last year in bringing about the standardization of traffic signals throughout the province.

Hon. Mr. Rowntree: Mr. Chairman, in answer to the broad question I might say in a friendly fashion to my hon. friend over there that maybe he and some of us are getting older each year and maybe that is the explanation for us not—

Mr. Spence: That could be true.

Hon. Mr. Rowntree: —and as the hon. member for Grey South (Mr. Oliver) said the other day, no doubt all of us secretly pine and endeavour to check the passage of time. However, subsection 14 of section 70 of The Highway Traffic Act provides for standardization of all signal light traffic-control systems installed after April 9, 1936. It describes the colours, it describes the way they shall be mounted and suspended and their location on the side of the roadway and in relation to intersecting roadways and other matters. It also sets a minimum distance of nine feet below which the system cannot be installed.

We tried to standardize these things and establish uniformity in all the municipalities but we have to be reasonable and many of these municipalities—I know of none that I could cite as an example, but we are interested in preserving the autonomy of the municipality—they have their own councils and similarly they have their problems about budgets and getting their estimates through just as I have, and so on.

But sometimes, as the hon. member has said, the cost involved is a factor, and somewhere down the middle of the line there is a solution which must in the name of common sense meet the needs of the public and the needs of the municipalities responsible for it. I am sure that the good sense of the elected representatives can meet this problem effectively.

Mr. G. W. Innes (Oxford): Mr. Chairman, on vote 2003, under item No. 4, highway safety publicity, I notice in the public accounts—

Hon. Mr. Rowntree: Are we not on vote 2004 now?

Mr. Innes: No, no, vote 2003, highway safety publicity. In the public accounts we see items in the thousands of dollars—Kelly, \$89,000, McKim, \$113,000. What main publicity is the department involved in; what are the main items, that the publicity is so high—in the region of \$325,000?

Hon. Mr. Rowntree: I am glad the hon. member asked that question because in the present estimates of this current year coming up we are asking for almost \$372,000 for the advertising and the publicity total. This will be made up in this fashion. We estimate our requirements in newspapers at \$24,900. Miscellaneous publications at \$2,000. We estimate our need for outdoor posters and transportation cards at \$38,000. They have been a very effective method of keeping the safety subject before the public. Radio and television have been extremely rewarding, if such a phrase is suitable to this topic under discussion. Radio and television, \$59,000. Road safety workshops, \$28,000. We are having four or five of them in the outlying parts of the province. Displays, Canadian National Exhibition and others, \$7,000. Odd pamphlets, drivers' handbooks, and so on, \$121,000; and campaign material \$88,000. It all comes to \$371,000.

Interjections by hon. members.

Hon. Mr. Rowntree: Well, I will tell the hon. members. We do not even get any personal marks out of it. Most of this stuff which these fellows in my department produce, they do not even put my name on it.

Mr. MacDonald: Mr. Chairman, there is one question I wanted to ask. I do not know whether it comes into this estimate or not. My attention was drawn to the fact that we have an overall law in the province which stipulates that vehicles must stop when a school bus has stopped; and it is printed on the school bus.

This is the case, that when you come into a town—in one instance in one town which I will not bother naming, they have a by-law which, in effect, contravenes this. And when the school buses come into the town they actually have to cover up this printing. Now, surely, this is not only an anomaly, this is an absurdity, that the provincial law can be

contravened by a local by-law, necessitating this kind of action when the matter of safety is involved.

Hon. Mr. Rowntree: Well, Mr. Chairman, I suppose that this is one of those situations where the phrase, the law of the mass applies. Now the situation which was raised by the hon. member for York South (Mr. MacDonald) is very important because we are dealing with problems in built-up areas, problems which are suburban on one hand and on the other hand, problems and situations which may involve vacant land, but contained within the confines of the city.

Now this situation involves the application of two different rules, and the problem is that the motorist's and the school bus drivers, where different rules apply—no one knows where the rules start and finish, but it is a legitimate problem and it is one that we in government have faced. It is one which arises from the normal growth and expansion of our community, and the growth and expansion of the province itself. And so on that basis, it is the kind of problem of which I hope we have many to face in the future.

Now, the solution will be implemented by legislation and, having in mind the very situation and trying to cut through these limits and what jurisdiction you are in—whether the school bus sign should be flipped up or flipped down, and things like that—I hope we shall secure approval for an amendment to the Act dealing with school bus lights, which will place the onus for flashing the lights in the hands of the operator of the school bus who, as a professional operator, will know the route he is on and which zone he is in. When the school bus lights flash, that is the warning for the following traffic, or such traffic that is concerned, to stop. It seems to be a simple cut-through, and that is the type of thing that, when we polish up the wording, I will be presenting to the highway safety committee.

Mr. Newman: Mr. Chairman, I have a few questions to ask of the hon. Minister. What part of the highways in the province of Ontario are considered the most dangerous from the accident point of view? Are there any statistics at all? What highways from what city to what city?

Hon. Mr. Rowntree: Is he speaking about the technical category of Kings' highways?

Mr. Newman: Yes.

Hon. Mr. Rowntree: Well, I would have to say that I could not specify them, but I

would be glad to secure the information and send it to the hon. member. Probably the King's highways of the 21-foot-width type involving sharp curves and so on—this is a highways matter, as a matter of fact, in the sense of design and construction. They are trying to eliminate those situations, and one of the tests of priority, which I believe The Department of Highways applies in proceeding with its work, would be the incidence of accidents on any given road.

Mr. Newman: I thank the hon. Minister. I will bring that up when we take up the estimates of The Department of Highways. Is there any control at all over the brightness of the turn-signal of a car? In other words, say the wattage of the lamp involved in the turning? Must it be, say, 10-watt, 5-watt. Any controls at all on that?

Hon. Mr. Rowntree: Yes, we do control that, but we do not control it in the terms which you describe. The Act provides for the turning light to be visible at a distance of 100 feet.

Mr. Newman: Is there any consideration on the part of the department to the use of an amber light as is common in Europe for a turn-signal?

Hon. Mr. Rowntree: The question of uniformity between Europe and the North American continent with respect to lights and other devices, equipment and traffic signs, and so on, is, along with other matters, one which is constantly before us. While, on the one hand, there is a trend to do certain things on the North American continent as one zone, and in Europe on the other, still the influence of the patterns which have been established in Europe are gradually coming over to this continent. With respect to the colour of these turning-lights, I have to say that this is one subject where the manufacturers are looking at the European system and are presently contemplating the introduction of the amber light as standard equipment on this continent, but I cannot give any dates.

Mr. Newman: Thank you. Mr. Chairman, one other question here. Has the department ever considered experimenting with "scramble-corners"? Corners at which the lights would turn red for all directions and the pedestrian could cross in any direction whatsoever. This would facilitate the movement of traffic considerably.

Hon. Mr. Rowntree: Well, we have not, as a department, experimented with this

system of free-for-all within the four square corners of an intersection, but other places have, including Metropolitan Toronto, and our department has observed the results with a great deal of interest. Some of the hon. members will remember the commotion that took place at the corner of Bay and Richmond Streets when for a period of, I guess, a year this situation was permitted to exist. All I can say is that confusion reigned supreme, and if we think we have trouble with crosswalks, let us leave this freedom, that the hon. member is raising, alone.

Mr. Newman: Mr. Chairman, one other question. Has the department considered setting aside the yellow colour to be used solely for school buses and prohibited the possible use of that colour on trucks so that a school bus could be readily identified by its colour, or some colour coding of the bus, then?

Hon. Mr. Rowntree: No, we have not.

Mr. R. C. Edwards: Mr. Chairman, I have a couple of questions and one deals with a matter which, I think, is important. It is the matter of ambulances. I am wondering if the department has done any research. I understand that some areas are without ambulance service partially because the high cost of providing that service is beyond the means of the municipality in which the ambulance is situated. It seems to me that if there is insufficient ambulance service, of course, it could operate to the detriment of people being injured in those areas.

It has been brought to my attention, as well, that there are not in Ontario any regulations which govern ambulances. I am told that it is possible, for instance, to get a station wagon and put a stretcher in it and set oneself up in the ambulance business, and perhaps the driver or the operator is not qualified in first aid. It may not have such equipment as oxygen and other things which would be of extreme importance under certain circumstances.

I wonder if the department has considered this matter and whether The Department of Transport anticipates any regulations with respect to ambulance service; whether or not they feel that it is important, perhaps in certain cases, to even in one way or another subsidize this service to ensure that it is available throughout all parts of the province. I wonder if there is any thought, for instance, to licensing ambulances? I wonder if the hon. Minister could tell us what his department has considered in this matter.

Hon. Mr. Rowntree: Mr. Chairman, I am aware of the nature of the subject matter to which the hon. member refers, but in its essence the question of the operation and the availability of ambulances is a municipal matter. From the manner in which I have dealt with my estimates, the hon. member will understand that I am not endeavouring to slough something off in any deliberate fashion. But I think the onus properly lies in the municipal field, having to do with the grant system and the respective needs, which differ from place to place, for—I do not like the word “welfare”—but it is probably comparable to the subject matter we are talking about.

With respect to our highways themselves, the programme of installing and equipping Highway 401 with rest stations and so on will be going ahead a pace in the immediate future. But in the meantime on certain of our highways The Department of Highways does operate patrols constantly to render assistance and first aid as the occasion may indicate. It seems to me that there was no criticism that should be levelled at anybody who got into the ambulance business by way of a station wagon converted, because the reason some of these services are not available to the municipalities is the high cost of the custom-built ambulance and the refusal of the local municipalities to pay the rates demanded. So that if some more practical albeit smaller unit were developed and utilized at a lower cost, Mr. Chairman, then the solution might be somewhat closer.

We do not license as transport the operation of ambulances. We do give them the right to use the red flashing light with fire and police vehicles. I would have to speak for myself on this matter. From my experience, anyone engaged in the ambulance business as a professional is usually of a very sincere and dedicated nature and someone who responds to the responsibilities which his occupation requires.

Mr. R. C. Edwards: Mr. Chairman, it seems to me a good many municipalities, particularly smaller municipalities, would not be equipped to know what standards they should insist on. It seems to me that these are standards which should come from the provincial level.

Hon. Mr. Rowntree: If the hon. member has any examples in mind, if he would kindly refer them to me I will see that the necessary advice, instruction and information is made available to them.

Mr. R. C. Edwards: I am wondering, Mr. Chairman, if we should leave the matter of hospital standards and all these other standards up to the municipalities, it seems to me that the provincial government does dictate certain minimum standards. In bringing it to the attention of the hon. Minister, I do not have any particular samples and I would be very foolish to state that I have samples of certain municipalities which do not insist on standards, other than to say that the mayor of Hamilton was quite surprised, some few years ago and publicly said so, when he needed to go to the hospital in a hurry and was taken there in one of these converted ambulances which he felt to be inadequate.

I think the leadership should come from the province, because I do not think in many cases that the municipalities have either the time or the staff or the money to insist on these standards.

My hon. friend from York Centre (Mr. Singer) has just advised me that there is not any power in The Municipal Act to license ambulances. This raises another point which I did not know about. If that be so, I think it indicates all the greater responsibility on the province to see that something is done about these standards.

I would like to raise the matter with respect to education in the high schools: instruction. I wonder if the hon. Minister—I think last year he told us there were some 48 secondary schools that now were giving driver instruction at the high school level. I notice it is a contentious issue particularly with the educators.

On the other hand I note in reading the select committee report on highway safety that this was one of the issues with which they dealt extensively. The statistics that seem to be coming through now indicate that there is a considerably smaller accident ratio among drivers that are trained in these schools. I wonder if the hon. Minister would tell us what is being done in the high schools to teach safety. How many schools are now engaged in driver training, and with respect to the ones which are not engaged in driver training, would he tell us what is done at the school level to teach this matter of safety to the students in theory if not in practice?

Hon. Mr. Rowntree: At the moment there are 57 schools in Ontario presently providing courses in driver instruction in preparation for their driver's examination test. During 1961, 11 schools started new courses. It is

anticipated that a number, an increasing number of schools, will start courses in September of 1962. This delay appears due in part to a shortage of qualified instructors and a major effort is being put forth to interest suitable persons in taking this instructor's course, the next one of which will commence in July of this year.

There are certain requirements for instructors: they must be graduates of some recognized course for instructors in high school driver instruction, and behind-the-wheel instructors must be licensed by The Department of Transport.

Mr. R. C. Edwards: Would the hon. Minister be able to tell us, for instance, in the 57 schools I think he quoted that are now sponsoring this instruction, what percentage is that of the overall number of secondary schools in the province?

Hon. Mr. Rowntree: It is 57 out of 450 secondary schools in Ontario and that would appear to be about 12 per cent.

Mr. R. C. Edwards: Mr. Chairman, with respect to the matter in the estimate for grants, I see there is a grant here—there are three of them in the highway safety branch, and then I noted in referring to the estimates of the hon. Attorney-General (Mr. Roberts) there is also a grant there to the safety council. Now the question I should like to ask is: is there any duplication in these grants, are they to the same councils and on what basis are they granted and in what way do they overlap with the grants in The Department of the Attorney-General?

Hon. Mr. Rowntree: I would have to say, Mr. Chairman, that I do not know anything about the grants in The Department of the Attorney-General. Now, I know and I am familiar with the work of the three organizations which our department assists and I would have to say my impression would be, that there is no duplication with respect to the hon. Attorney-General's budget or any previous grants he has made. I think they are separate subjects of a different type and nature. I am instructed that any grants of The Department of the Attorney-General are not to the same organizations in which The Department of Transport is interested.

Mr. R. C. Edwards: Mr. Chairman, I think the earlier remarks made, amplified the statements I made this afternoon about co-operation. On the one hand he says he does not know anything about the grants in The Department of the Attorney-General, which clearly states that they are for safety councils.

I think this amplifies the statement about lack of co-operation which I think appears to exist.

Hon. Mr. Rowntree: The hon. member cannot make a statement like that and get away with it. I am looking at the estimates of The Department of the Attorney-General, and his grants have to do with local safety councils. There is no duplication there, or lack of knowledge.

Mr. R. C. Edwards: I would have to disagree, of course, with the remarks of the hon. Minister because I have here a copy of his report. One of the matters which is discussed under this report is the extent of co-operation which exists between his department and the local councils.

Hon. Mr. Rowntree: Not necessarily by way of money. We do not give any money to local safety councils.

Mr. R. C. Edwards: Well, Mr. Chairman, I am only pointing out that there is an overlapping of responsibility here. If safety is the interest of The Department of Transport, then I am wondering why on earth the hon. Attorney-General is going around dishing out grants to local safety councils?

I am suggesting that there is an overlapping here and that if it deals with safety—and if I interpret the functions of The Department of Transport correctly, it is their responsibility to deal with these matters—and I am surprised the hon. Minister did not have more knowledge of the grants that are in the hon. Attorney-General's department. I do not wish to pursue it any further.

I just would like to ask a question with respect to the matter of the increase in traffic accidents and fatalities, I believe, which took place this year. I wonder if the hon. Minister would tell me whether or not there is any relationship between those and the higher speed limits which, in general, have been proclaimed throughout Ontario over the past couple of years. It has been a progressive thing. I wonder if the hon. Minister has any statistics dealing with this matter of higher speeds and the frequency of accidents?

Hon. Mr. Rowntree: I would like to correct the hon. member. If he had listened accurately and closely this afternoon he would have heard me say that there was a decrease in the number of accidents by 2 per cent in 1961 over the previous year. There was an increase in the number of fatalities and I have no knowledge at the

moment as to whether or not increased speed is a contributing factor.

It is my opinion—and from the experience I have gained in the department as Minister and from my association with people who are experts in this field—it is my personal and private opinion that there is not necessarily a direct relationship for which speed could be given as the immediate and effective cause or reason for the accidents. I do not think we can be quite that precise. But my impression is that we could not come to that conclusion.

Mr. R. C. Edwards: Mr. Chairman, I suggest to the hon. Minister that it is possible to have statistics of where these accidents occurred, to determine whether or not there has been any increase in accidents in the areas where the speed limit has been raised in the past year. I do not think this is a matter of opinion, I think it is a matter which statistics should be able to tell us.

Now, with respect to listening to him this afternoon, I would just like to get this little parting shot in in answer to him. If we had been given the accident statistics in time I would not have needed to listen so closely to him.

Mr. Wintermeyer: Mr. Chairman, before you pass on to the next item, I would like to ask one question of the hon. Minister, and in order to abbreviate it I am going to take the prerogative, if you will, of addressing the hon. Minister directly. You are familiar, Mr. Minister, with the Nepean problem and the Marysville home and school situation. Now I know this will not enlighten the House as such but because of the hour I am going to address the hon. Minister directly. Has anything been done about that situation?

Hon. Mr. Rowntree: That was another situation having to do with suburban development, where people went into the suburbs and lived on larger sized lots, which in total did not constitute a built-up area, leading to the speed limit problem. There was an accident down in Marysville last summer. In fact, I think it was last June, yes, just before the summer. It was a sad situation, requiring effective changes in the legislation, and those changes are being brought forward.

I think that now that has been raised—and, after all, it is only 10.50 p.m.—I might take a few minutes of your time, Mr. Chairman, and refer to this subject because this is a good example of the type of difficult, emotional, heartbreaking problem that arises out of some accidents. The situation was this: There

was a school bus which had loaded children to take them home when school was finished, and one little boy, as the bus pulled away, went up to the driver and said he had forgotten his hat or his gloves or some such thing as that, and prevailed on the driver to pull off to the side to permit the boy to get out and go back into the building to get the gloves or whatever it was.

The boy got out of the bus, went around the front of the bus and stopped and looked up to his left, up the side of the bus, and to the right. A car was coming on his left so he stopped right where he was. In the meantime, there was a little girl on the bus who, having found that the bus was going to stop for the reasons I have given, went up to the driver and asked if she could go. This was a perfectly normal request from a little girl. She had left a jar of tadpoles in the school and she wanted to run back and get them.

So the bus driver agreed and she got out and, as she got out the door, she did not do what the little boy had done. She ran across the front of the bus and across the road past the little boy who was still standing there. She did not look and she was killed, and the speed of the car had nothing to do with it. There was a question of probable civil liability with respect to the flashing of the lights. On the report of this sad accident we immediately contacted the hon. Attorney-General's department and an inquest was held.

Mr. Wintermeyer: The point I wanted to make was, do you consider it within your prerogative to change the speed limit? Now, I understand that the home and school group in that area requested that the speed limit in the school zone be reduced from 60 miles an hour—

Hon. Mr. Rowntree: There was no authority in me as a Minister to make that change. It has to be done by statute.

Mr. Wintermeyer: Do you think it is advisable that you should have that authority?

Hon. Mr. Rowntree: Well, I am beginning to wonder, maybe it should be. Although from my experience of suspended drivers, in which instance neither the department nor the Minister has any authority to waive the suspension, it is a very desirable position to be in.

Mr. Wintermeyer: Well, is it fair to ask whether you contemplate bringing into this Legislature this session any legislation—

Hon. Mr. Rowntree: Legislation will be advanced to change that situation based on the Marysville experience which will be applicable to all of Ontario.

Mr. Wintermeyer: Well, is it fair to ask whether you contemplate bringing into this Legislature this session any legislation—

Hon. Mr. Rowntree: Legislation will be advanced to change that situation based on the Marysville experience which will be applicable to all of Ontario.

Mr. Wintermeyer: And permit a reduction in the speed limit where that seemed advisable?

Hon. Mr. Rowntree: Yes.

Mr. MacDonald: I would like to ask the hon. Minister a question with regard to the appointment of licence issuers. I am sorry to bring in a note of criticism at this stage of the day, but after all they—the chief commissioner of liquor over here smiles, because when we raised this kind of thing the other day he polished his halo and said this government had nothing to do with this kind of thing. It was all done above the board. However, I want to read a couple of paragraphs here:

For years motorists resident in the Beaches district, in fact, those of the whole east end of Toronto, have had only one licence bureau from which to get their licence. Unless, of course, they went out of the suburbs or down-town. With the appointment of Christ Stavero, a licence issuer at 283 Scarborough Road at Kingston Road, this picture has changed. In fact, it was on the recommendation of Jack Harris, the Progressive-Conservative candidate, that this appointment was made.

I want to congratulate the hon. member. He really got operating before he was in the House. I have heard of defeated Tory candidates who have control of the issuance of patronage, but apparently this is a power that one acquires immediately upon nomination.

The hon. Minister nods affirmatively. I was reading from a journal that is published—the *Beaches Tribune* of January 4, 1962. The editor likely was at the meeting.

I am not going to pursue this, since we all know it is part and parcel of the operations of the government, but my question to the hon. Minister is: how many issuers of licences are there for example in the Metro area, and what is the basis upon which they get their remuneration? Is it a standard basis across

the board? So much per licence, and if so, what is it?

Hon. Mr. Rowntree: The situation is this. The licence issuers are commissioned agents. They are paid the following rates of commission, which is standard across the province. For a vehicle permit, 35 cents; for a driver or chauffeur's licence, 15 cents; for a transfer 15 cents; and an in-transit permit 10 cents. In addition to that they are required to be appointed as agents of The Treasury Department for purpose of enforcing the sales tax Act and are required to make certain reports in connection therewith.

There are 19, I am told in the Metropolitan Toronto area. This is a matter which I have looked at very closely because we just cannot put new appointees in one area, or in some area, where they would like to be appointed. It has to bear some relationship to a "spread" system and a proper deal across the area, or whether it is a county, or across Metropolitan Toronto.

The other requirements are, and we are laying down basic rules and standards. For instance we still have in Ontario some of the issuers writing licences in long-hand, which in a small community is quite legitimate. But with the number of new Canadians and the odd spelling of many words, handwriting is not a satisfactory method of making a record for departmental purposes, or indeed for any purpose of the like. Accordingly, I may as well state these standards now publicly, these issuers are required to remain open in accordance with the local hours of business 12 months of the year and must be staffed. They must not be locked up.

In areas which have a small population and a small volume of business, such a commission operation is not lucrative and can only operate in conjunction with, shall we say, a dry-goods store or some other set-up. But preferably, and for some years I am told, and certainly as far as I am concerned, no branch operator will ever be appointed again as an issuer, because this operator has too much information on his competitors and it is not right.

Mr. Chairman, at no time, did I—I have met Mr. Staverio, as a matter of fact I interviewed him myself—but I would like to tell hon. members that at no time did I personally ever speak to Mr. Harris about Mr. Staverio or ask his advice because I think I am quite competent, with my department, in finding where the correct locations should be. That is our business and if we do not know enough about where these locations

should be sited, then we should not hold the positions we do. Now, I understand—

Mr. MacDonald: Do I get this correctly, that he as the hon. Minister actually does the interviewing and decides who is going to get the—

Hon. Mr. Rowntree: I met Mr. Staverio, and we called for a review of the entire eastern district of Toronto to examine the population and location factors. Mr. Staverio originally wanted to locate in another position, but we told him that we would not approve it. His original location was in some place that was not acceptable.

Mr. MacDonald: Did the hon. Minister advertise, or is it handled through the civil service commission?

Hon. Mr. Rowntree: No, it is not. They make application to the department. I would say the turnover of this sort of thing is at a very low ebb and most situations arise with the people in the towns across the province, where the husband or the man who has been doing it dies, we try to arrange, if it is possible, to carry on and take into account some of those personal factors.

Mr. Bryden: Mr. Chairman, I would just like to follow up on this point with the hon. Minister, if it is all right. May I ask the hon. Minister if it was pure coincidence that Mr. Staverio, whom I take it was judged to be the best qualified, best equipped person to obtain this privilege, if it was pure coincidence that, in the making of that decision, he is an active and prominent Conservative in the east end of Toronto? I believe he used to be a Liberal, but for some years he has been noted mainly for his activities on behalf of the Conservative Party. I would like to ask the hon. Minister if that was a factor in his decision, as to the superior qualifications of Mr. Staverio.

I would also like to ask the hon. Minister if Mr. Jeffrey, the publisher of the weekly newspaper in which this report appeared, himself quite a strong Conservative—I know him well and like him very well—if he was totally mistaken then in this particular piece of information which he circulated in Beaches constituency two weeks before the by-election day, giving credit to the Progressive-Conservative candidate, or some measure of credit for this?

Hon. Mr. Rowntree: I never heard of the newspaper. I never heard of the publisher. If I have met him I would not recognize him

again and I have never had any communication with him about what it was he put in his newspaper.

Vote 2003 agreed to.

On vote 2004:

Mr. P. Manley (Stormont): Mr. Chairman, the hon. Minister did give us the schedule of rates in regard to plates and permits, and so on. Do the issuers also get an allowance for office space?

Hon. Mr. Rowntree: No. That is the gross commission payable—

Mr. Manley: They have to furnish their own office space?

Hon. Mr. Rowntree: They furnish the office, supply typewriters and staff.

Mr. Newman: Do recommendations go out from the department to the issuer of licence permits to encourage him to stay open late in the evening—say, possibly, late Saturday night, especially now that there will be a rush for licence plates? Does the department recommend that they stay open in some areas?

Hon. Mr. Rowntree: They are supposed to stay open in conformity with the local hours during which the other businesses are open. Now, this is a matter where a little common-sense goes a long way. And since these people are paid on commission, it is to their own interest to stay open and supply this service to the public, particularly at this time of year. And if they do not do it, then they are the ones, as well as the public, who suffer.

Now, to give you an example: Most agency offices have agreed to remain open beyond the usual closing hours during the last couple of days if the need arises. This has not been necessary during the last two years. The extended office hours during the peak period at offices which are staffed by our department are as follows: Port Credit, Friday one week, Friday the next week, 9 p.m. both nights; Monday, Tuesday and Wednesday, March 12, 13 and 14, 9 p.m. Oshawa, 9 p.m. on both Fridays, March 2 and 9. Hamilton, 8 p.m. on Monday, March 12 and Tuesday, March 13. It is not advertised but they will do it as long as business warrants. In Stratford, Friday, March 9, Monday, Tuesday and Wednesday, March 12, 13 and 14, 8 p.m. And I think that is a good sample across the province.

Mr. T. D. Thomas (Oshawa): There is one question I would like to ask the hon. Minister

and that is in respect to weigh stations. How many were guilty of overloading during the past year, and how are the penalties imposed? Perhaps the hon. Minister does not have that information.

Hon. Mr. Rowntree: I happen to have it. While the information is bubbling to the surface, the situation is this, that the weigh scales are operated on what we call an audit basis. No scale is necessarily open 24 hours a day. It is a spot check, but a nicer phrase is "operated on an audit basis" and that describes it generally. All told, last year there were over a million vehicles inspected through our inspection service, and with less than 1 per cent of overload.

Mr. Thomas: What were the penalties imposed?

Hon. Mr. Rowntree: By laying charges, and one of the requirements with respect to each of our inspectors, having regard to his education, is that he goes to court and gives the evidence, and so on. It is not economic for these fellows to have to go to court very often.

Mr. Newman: Mr. Chairman, do driver-examination centres have set office hours?

Hon. Mr. Rowntree: Yes, they have the regular civil service hours. They are civil servants.

Mr. Newman: I would suggest that the hon. Minister take into consideration that possibly they be open or be staffed in some way to enable individuals to try their tests on a Saturday afternoon, because it is quite difficult sometimes for an individual who works till 5 o'clock, five days a week to get down to an office centre for his test. And if they were open Saturday afternoons it certainly would facilitate the opportunity of taking a test.

Hon. Mr. Rowntree: We have looked into this and I am satisfied that, while the point is properly raised, to accede to the request of the hon. member would only compound the problems we presently have. People would leave it to the Saturday and we would be all jammed up with civil servants overworked on one day and doing nothing the rest of the week. Driving an automobile is a privilege, it is a life-time occupation and privilege, and we will make appointments for these people so they can arrange for time off, which is little enough to do to get this privilege.

Mr. Newman: Well, that is all well and good but I have had complaints from my own locality where individuals cannot get down before the regular closing hours and are at a handicap. They have to take time off from work to get down, and I certainly think that we can stagger working hours in such a fashion so that we do not work the employees overtime, and still convenience the public.

Mr. R. C. Edwards: Mr. Chairman, just a couple of questions with respect to these abstracts on driving records. I wonder, are they equally available to all those who apply? I understand there is some discrimination on the part of the department as to who is to be charged and who is not. Who is entitled to that?

I am thinking, for instance, of an insurance company, perhaps in the course of litigation and wanting to know something about the driving record of a party on the other side, or perhaps a solicitor. Is the driving record freely available to everyone who requests it—when I say “freely” I perhaps used the wrong choice of words—is it available to everyone who requests it, and is the charge the same in all cases?

Hon. Mr. Rowntree: The answers are: (a) yes and (b) no. (a) it is available—and that is a good answer, it relates to the question—but the (b) no, everyone is not charged the same. No police authority is charged for that information, but others are. If the hon. member or I went in, we would have to pay.

Mr. R. C. Edwards: With respect to the item in the report of the hon. Minister—of the 1960 report dealing with the checking of bus schedules, to see that they comply with those schedules—I think there was an article in there. I am wondering what it meant by that. Do they go out and check to make sure that they are on time, or what is meant by that?

Hon. Mr. Rowntree: This is a department function and it has to do with the scheduling of passenger buses and inspection of their operations to see that they are not operating on a basis which necessitates constant abuse or any abuse of the safety laws.

Mr. R. W. Gibson (Kenora): I should like to inquire of the hon. Minister as to the number of employees of his department operating in the district of Kenora. I should also like to know what functions they fulfil.

Hon. Mr. Rowntree: Well, in recent years the northwestern part of Ontario has seen great economic expansion, and I might say on my own account outside this memo, that, in spite of the nature of the representation which the riding has had, this government—under this administration and the previous Tory administration—has continued with this programme of capital works.

With the completion of the Ontario portion of the Trans-Canada Highway commercial vehicle operations into and through the province have increased. As a result of this and at the request of the transport industry in the area, uniformed officers of the department have been located in northwestern Ontario to provide a similar service to that which has been furnished for many years by the department in the southern part of the province.

These officers have been trained to assist the licensed commercial carrier, to protect him from unlicensed competition, and to assist the public generally. They are also qualified driver-examiners. Officers operating from our Dryden office service the Sioux Lookout and Red Lake areas. Others operating from the Kenora office cover the Kenora and Rainy River districts, and I make no reference. These have to do with inspectors, driver-examiners, but not licence or permit issuers.

Mr. Gibson: I should like to ask the hon. Minister as to the number of uniformed officers who are fulfilling these functions on the highways we have heard of and where they are located and what their names are.

I would like to advise the hon. Minister that despite his remarks about the development of northwestern Ontario and the functions of his department in that area, I served as an official of this government in the capacity of assistant Crown attorney and I happen to know, Mr. Chairman, that we saw one official of the department in the town of Dryden during the time I was there. That gentleman served there for a period of approximately one month and vanished. I still live in Dryden and I do not know where this person is or who is acting for the hon. Minister's department as a uniformed official on the highway.

Let me add this point, sir. We have provincial police in Dryden who have been performing the same functions for a good many years and are still capable of fulfilling these same functions with no additional cost to the taxpayers of this province.

Hon. Mr. Wardrope: We will agree.

Mr. Gibson: What does the hon. Minister know about it? He has not been up there in a coon's age.

Hon. Mr. Rowntree: I have given the explanation that the inspectors are on an audit and travelling basis and it is not in the public interests for me to disclose the names of those who may or may not be assigned to work in any specific area.

Hon. Mr. Wardrope: If I was the member up there I would know.

Mr. Chairman: Order!

Hon. Mr. Rowntree: What estimate are we on?

Mr. Chairman: Vote 2004:

Mr. Bukator: Mr. Chairman, on the question of issuers of licences: is the hon. Minister acquainted with the fact that they have a new one in Fort Erie? Is the hon. Minister acquainted with that gentleman?

Hon. Mr. Rowntree: There is something strikes a familiar note up here but I cannot—the message is not coming through.

Mr. Bukator: I will give it to the hon. Minister very bluntly. The man happens to be the president of the Conservative Party in Fort Erie. He got the job of issuer of licences, and do hon. members know who announced the fact that he did get that job—a member of the parks commission and a hard worker in the Conservative government. I had to read that in the paper.

Now I would like to know: is it not proper to send the member in that riding at least a confirmation of that fact before we read it in the paper?

Hon. Mr. Rowntree: The answer to that, Mr. Chairman, is that it is not necessarily so. But so far as I am concerned as Minister, when I go around I try to give hon. members on the other side a pretty good shake whenever we have an opening in the driving centre, whether it is in Brantford, Cornwall, Walkerton, Niagara Falls. I usually let hon. members opposite cut the ribbons and buy them a free meal.

Mr. Bukator: I did not get my question answered. But the fact remains that the hon. Minister is familiar with the fact that this gentleman was the president of the Conservative government.

An hon. member: The Conservative government?

Hon. Mr. Rowntree: I do not know the man at all. Could the hon. member give me the date of his appointment? When was it?

Mr. Bukator: I do not recall.

Hon. Mr. Rowntree: Was it during my term of office?

Mr. Bukator: I am asking the hon. Minister, he has got his records before him.

Hon. Mr. Rowntree: I have not got that. I will take notice of it and get the answer.

Mr. Bukator: He was a very capable Conservative. He did a good job for the hon. Minister and apparently he is doing a good job for him.

The question I ask is: is it proper for the hon. Minister's department to send a ward heeler with the information that he can publish it to the paper before the member gets it? This is the question I asked.

Mr. Spence: Mr. Chairman, I would like ask the hon. Minister a question that last year we brought to his attention: that reducing price of licences for farm trucks would serve a great purpose for the agricultural industry, also the truck industry. By looking at him from this side of the House I thought we had made an impression on him and I wonder if he is going to take that into consideration at this session.

Hon. Mr. Rowntree: This is a rather interesting subject that has been raised. I have spent a lot of time this past year looking into this question of reduced licences for farmers, and quite frankly I find that in spite of the references to other jurisdictions which anybody may make, I can find no satisfactory basis for reducing licences or issuing them on a seasonal basis which would not immediately be invoked by the cheese processors, the tomato growers, the carrot producers and other specialized industries, including soda pop and ice cream. As a result I do not see how it can be done.

Further to this, there was reference by one of the hon. members, and I am not sure whether it was this hon. member who raised the question or not, but someone referred me to Michigan and what they did for the farmers. Well, sir, I got an eyeful when I got hold of the legislation—

An hon. member: They do it better over there.

Hon. Mr. Rowntree: They are just equal, only they compute the fee on a different basis

and they are better politicians than we are. The fees in Michigan are within 50 cents and \$1 for farm trucks, the same as they are in Ontario.

Mr. Innes: Mr. Chairman, I think about two years ago the present hon. Minister of Agriculture (Mr. Stewart) asked about this. He was quite serious about this situation and said that he would do everything on his part to bring it to the attention of his government. He is now the Minister of Agriculture, I want to know if the hon. Minister of Transport shares his views.

Hon. Mr. Rowntree: I have the highest regard for the hon. Minister. He and I have many conversations about the business of government and usually we are in agreement.

Mr. Innes: In the public accounts for last year I notice an item for fees to the extent of \$89,000. There are two firms listed here and they account for about \$9,000; the others are \$80,400. What would constitute \$80,000 of fees?

Hon. Mr. Rowntree: That was dealt with, I think, in the hon. member's absence.

Mr. Innes: No, it was not. This is in motor vehicles administration.

Hon. Mr. Rowntree: That is what was answered. It had to do with fees on the unsatisfied judgment fund.

An hon. member: Run through it again, anyway.

Hon. Mr. Rowntree: He said it was not answered.

Mr. Innes: Out of \$89,000, you break down \$9,000; there is \$80,000 still not broken down. I mean, in all fairness, is that the way the hon. Minister wants to operate?

Mr. R. C. Edwards: Mr. Chairman, on a point of order. I submit, sir, it was not dealt with as asked by my hon. colleague. I asked the question with respect to two fees which were stated—there is an amount of some \$80,000, and I think my hon. colleague has asked for the breakdown of that \$80,000.

Hon. Mr. Rowntree: Well, this is the same subject matter. I read this out and whether the hon. member for Oxford was here or not is not my responsibility. I will repeat it for him.

I said what we were asking in 1962 with respect to legal fees for the fund and payment of medical examinations and credit reports, and it came up to some \$90,000. Now the items to which I think the hon. member is referring are made up of solicitors' fees—\$55,500; Crown attorneys and lawyers used for prosecutions under The Highway Traffic Act—\$11,500; medical examinations \$7,600; credit reports \$4,800; settlement committee \$3,000, and miscellaneous \$7,700, for a grand total of \$89,800.

Vote 2004 agreed to.

Hon. Mr. Robarts moves that the committee of supply rise and report it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed: Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. H. L. Rowntree (Minister of Transport): Mr. Chairman, it is too bad that you kept us so long because if we had got finished at 10:00 o'clock I was going to invite all the hon. members of the House out to a late supper.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow we have the Budget debate, the estimates of The Department of the Provincial Secretary, which were not completed earlier this week, and anything on the order paper.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:30 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, March 9, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 9, 1962

The House met at 10:30 o'clock, a.m.

Prayers.

Mr. Speaker: We welcome as visitors to the Legislature this morning, as our guests, students from the following schools: in the east gallery, C. H. Burner and A. P. Wheeler Public Schools, Scarborough, and in the west gallery, Birchcliffe Public School, Scarborough.

I beg to inform the House that the clerk has received from the commissioners of estate bills, their report of the following case: Bill No. Pr30, An Act respecting Hamilton Civic Hospitals:

THE SUPREME COURT OF ONTARIO

THE HONOURABLE MR. JUSTICE MACKEY,

THE HONOURABLE MR. JUSTICE McLENNAN

Osgoode Hall, Toronto 1
March, 6, 1962

RODERICK LEWIS, ESQ., QC,
CLERK OF THE LEGISLATIVE ASSEMBLY,
PARLIAMENT BUILDINGS,
TORONTO, ONTARIO.

Sir:

Re Private Bill No. Pr30, An Act respecting Hamilton Civic Hospitals

The undersigned, as commissioners of estate bills as provided by The Legislative Assembly Act, RSO 1960, Chap. 208, section 57, having had the said bill referred to us as such commissioners, now beg to report thereon.

Pursuant to an Act relating to the City Hospital of Hamilton, Statutes of Ontario 1898, Chap. 43, the City of Hamilton has heretofore owned and operated three hospitals in the city of Hamilton.

The purpose of the present bill is to vest in a corporate body to be known as "the Board of Governors of the Hamilton Civic Hospitals", the general management, operation and maintenance of all hospitals now owned or hereafter acquired by the corporation of the city of Hamilton.

We note that in the bill as presently framed, that while the ownership of the hospitals is to remain vested in the corporation of the city of Hamilton and that by section 18 of the proposed bill they are obligated to provide the board with working capital and to pay operating deficits, that section 24 provides that the board and not the city shall be liable for all claims, accounts and demands arising from or relating to the management, operation or maintenance of the hospitals.

It is our view that because under the Act, the city and not the board are the owners of the hospitals, that the bill should specifically provide that the city should be liable for payment of any judgment obtained against the board and for the payment of the amount of any settlement made in respect of claims against the board.

To accomplish this purpose we recommend that

section 18 (1) of the proposed bill be amended by adding thereto the following:

In determining whether or not an operating deficit has been incurred by the board within the meaning of this subsection the amount of the settlement of any claim, account or demand made upon the board and the amount of any final judgment obtained against the board, to the extent that such settlement or judgment is not recoverable from an insurer of the board, shall be paid by the board and charged against the operating revenues of the board.

so that the section shall read:

18. (1) The city shall, in each year, levy on the whole of the assessment for property and business assessment, according to the last revised assessment roll, a sum sufficient to provide for the operating deficit, if any, incurred by the board during the preceding fiscal year according to the financial statement reported upon by the auditors of the city and shall pay over to the board the amount of any such operating deficit on or before the first day of May of the same year. In determining whether or not an operating deficit has been incurred by the board within the meaning of this subsection the amount of the settlement of any claim, account or demand made upon the board and the amount of any final judgment obtained against the board, to the extent that such settlement or judgment is not recoverable from an insurer of the board, shall be paid by the board and charged against the operating revenues of the board.

We are of the opinion that the provisions of the said bill as amended, are proper for carrying its purpose into effect and that it is reasonable that such bill should be passed into law.

We have the honour to be, sir, your obedient servants.

(signed)

F. G. MACKEY

J. L. McLENNAN

Commissioners of estate bills

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. A. F. Lawrence (St. George), from the standing committee on legal bills, presented the committee's second report which was read as follows and adopted:

Your committee begs to report the following bills without amendment.

Bill No. 61, An Act to amend The County Courts Act.

Bill No. 62, An Act to amend The County Judges Act.

Bill No. 64, An Act to amend The General Sessions Act.

Bill No. 65, An Act to amend The Judicature Act.

Bill No. 66, An Act to amend The Juvenile and Family Courts Act.

Bill No. 67, An Act to amend The Surrogate Courts Act.

Your committee begs to report the following bill with certain amendments:

Bill No. 63, An Act to amend The Division Courts Act.

Mr. Speaker: Motions.

Introduction of bills.

THE HOURS OF WORK AND VACATIONS WITH PAY ACT

Mr. N. Davison (Hamilton East) moves first reading of bill intituled, An Act to amend The Hours of Work and Vacations with Pay Act.

Motion agreed to; first reading of the bill.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I have a point of information I would like to raise and direct in the first instance to yourself; perhaps you would like to direct it to others subsequently. About one year ago, a bust of the late Agnes Macphail was presented and there was a ceremony in this House, which most of the hon. members I think will recall. At that time the hon. Prime Minister of the day (Mr. Frost), stated:

The bust will be displayed here in the Parliament buildings where it will take its place with other leaders of our land, leaders in the past, as a tribute to Miss Macphail and to remind us of the extraordinary contribution she made to the progress and well being of this country over a period of many years.

My question is: Where is that bust now?

Hon. J. P. Robarts (Prime Minister): To whom is the hon. member addressing the question?

Mr. MacDonald: I am addressing it to the Speaker of the House and he can pass it on to whomever is the appropriate person, because I am curious to know where it is, having been assured by the hon. Prime Minister it would get an honoured place. It has since disappeared.

Mr. Speaker: I will make inquiries and have the information next week.

Orders of the day.

House in committee of supply; Mr. K. Brown (Peterborough) in the chair.

ESTIMATES, DEPARTMENT OF THE PROVINCIAL SECRETARY AND MINISTER OF CITIZENSHIP

(continued)

On vote 1601:

Mr. A. E. Thompson (Dovercourt): Mr. Chairman, I do not know if this comes under the vote; it is in connection with the research of the citizenship department. Can I go ahead? I wonder, Mr. Chairman, if the hon. Minister could perhaps clarify a little bit more for us what these research projects will be for which he is asking extra funds? When he was bringing in the estimates in the House before, I think, to summarize it, he was saying that this was in order to research the priority of needs of newcomers. I felt that was perhaps a somewhat vague interpretation of what the research was going to be. Further on he said it would be to establish what is the fall-out in language classes, and I would appreciate knowing what the projects are.

Hon. J. Yaremko (Provincial Secretary): I have not got the complete memoranda with me, Mr. Chairman. I did outline to the House that the department, in the fulfilment of one of its assignments in co-operating with organizations, that one of the chief ones, will be a project of which I gave some detail. I had thought the hon. member had been paying attention to it, but I mentioned the special project of the International Institute and this is a co-operative research project.

The co-operating agencies are the Laidlaw Foundation, the MacNamara Foundation, the Federal Citizenship Branch and our own department. They will assist in the operation of a special branch at the International Institute, whose job will be to study the welfare needs of the newcomers, to acquaint them with the services of all community agencies, especially those financed by the United Appeal and if necessary to recommend such changes in the pattern of services as may seem necessary in order to draw these newcomers more fully into the total life of Metropolitan Toronto.

The projects will be more or less followed up in this manner: There will be some \$2,500 available to the International Institute welfare project; \$1,500 to the study of assistance in vocational guidance; \$1,000 for the television language research; \$1,000 in respect of the Ontario Welfare Council, and the

balance for any special projects that may come along in the course of the year.

Mr. Thompson: Thank you very much, Mr. Chairman. The other question I have asked before is about the fall-out students in these language classes. The hon. Minister had mentioned that he did not keep the figures of the attendance of newcomers to language classes. I wonder, sir, since that time has the hon. Minister thought of doing some research on this; is this something he wanted to check into further? Could I also ask if there is not an arrangement with the various school boards that, if a class for teaching English falls below a certain attendance they do not get a grant from the hon. Minister? In that way he would know the number of fall-outs.

Hon. Mr. Yaremko: As I intimated last time, I do not think that we keep that type of statistics. I do know that last year there were over 2,000 certificates for those who had completed their courses, but I will check to see if we do keep a statistical survey of how long the people attend.

My own position is this, as I outlined to the House the other day, that our chief purpose is attracting the students to the classes. We are spending a fair amount of time and a fair amount of effort and, I think, a fair amount of money to let these people know of the classes. The department and I personally stress over and over again, through every media that is available, the necessity and the value of the English classes. We do our best to make the classes as attractive as possible but, as I say, a great many things come about after a person has entered the class. The student may obtain a job on another shift; maybe family circumstances change; we are up against the same thing that confronts any adult educational programme.

The classes are kept until they drop to a minimum of six persons, which we believe is really a very reasonable figure.

Mr. Thompson: In connection with the number of ethnic language papers that the hon. Minister receives in his office, I would presume that he does have some kind of an interpreter service when he is receiving these in the very few languages that he himself does not read. I am, therefore, interested in knowing, does he interpret these language papers and, if he does, for what purpose?

Hon. Mr. Yaremko: The papers are read by me for exactly the same reasons that any newspaper is read by any individual, as a

source of information. It has been my experience, having read these newspapers, some of them all of my life, that there are matters of information about activities within the communities, an expression of opinion by the editors, news reports of matters that take place which are not covered by the press of our province—the dailies, and weeklies. In some cases the matter will be covered to a greater extent.

We do within the department translate, as a matter of course, any of these newspapers. We are fortunate that within the department, and outside of the department within the government services, there are now people who can understand almost any language that is spoken or written in Canada. This is a tremendous change which has taken place in recent years within the government services.

Subject to the time available for the staff, which is a comparatively small staff and has a tremendous job on its hands, the staff, if they have time available, just very cursorily glance through those newspapers in the language with which they are familiar. If there is any matter which they believe should be brought to the attention of the Minister, they do so. It does not happen too often, but it has happened on occasion.

In turn, I read some 12 newspapers more thoroughly when time permits me. They are brought in and once a week I set aside an hour and glance through anywhere up to 100 pages of this material. If I can understand every word of an article, I let it go at that. However, there may be a special article in which I want to be more intimately informed than I am enabled by my own translation and then I can request the relevant person within the department to make a translation for me so that I become familiar with it.

We do not have the type of translations that the hon. member will be familiar with, that has been available in Ottawa for a great number of years where, I believe, the newspapers are translated in total for the use of the various departments. We do not have such facilities, and indeed, perhaps at the present time there is no such need.

Mr. Thompson: I appreciate the answer. I notice that the hon. Minister reads 12 newspapers but he gets 40 newspapers in different languages. I would not imagine he could read a newspaper in Byelorussian; perhaps he can, I apologize. Take another language, such as Croatian.

These are paid for by the department I presume? As I understand he reads these

personally and if he wants something of interest he will ask one of his staff to translate it. Is it possible for anyone other than the hon. Minister himself, and I am thinking of someone such as myself, if I saw something in which I might be interested in one of these newspapers, can I use the interpreter services of the hon. Minister's department?

Hon. Mr. Yaremko: Mr. Chairman, many of the newspapers which we receive are sent to us free. I will tell the hon. member, when I was a private member of this House I subscribed for and paid out of my own pocket for about 15 newspapers every week. Not only the ethnic languages, I also followed the practice of subscribing to the *Guelph Mercury*, the *Oshawa Times*, the *Milton Champion*, the *Sudbury Daily Star*, the *Atikokan* newspaper—I subscribed to those personally in order that I might as a member be more familiar with all parts of the province and not just to have the viewpoint of the Toronto dailies. I feel that the ethnic newspapers have a contribution in that role too.

Mr. Thompson: I am sorry to belabour this. I see the distinction in what the hon. Minister would do as a private member, and I myself also subscribe as a private member to papers; there is the distinction in that role and in being a Minister of the Crown, when one can get translations of these papers.

I am interested in just clarifying, I think the hon. Minister has actually clarified for me, the point that he have translations by civil servants. As the hon. Minister has said: he has translations about items in which he is interested. I think the translations might be available to more than himself, if it is only on the basis of personal interest that he has these translations.

Hon. Mr. Yaremko: I may say that I have only had the necessity to request two articles to be translated in the last three months. I think we do not have the staff and do not have the funds for that type of thing. It is fortunate that I am able, as I say, to read most of the newspapers that come to us.

Mr. Thompson: My last question is in connection with the need for two liaison officers, two extra liaison officers. I notice that the hon. Minister's explanation for this estimate was that these two liaison officers would do an extensive amount of travelling for the department. I wonder if the hon. Minister would clarify just what will be the

purpose of their travelling. What will they be doing?

Hon. Mr. Yaremko: The department is presently able, because of its location, to carry out its responsibilities only within the metropolitan area of Toronto and vicinities easily accessible. We feel that the work of the department should be extended throughout the province. Prior to the community programme branch section coming to the department, the community programme branch had representatives throughout all of the province and the individual officers of that department scattered throughout the province were able to devote a certain percentage of their time, 10 or 15 per cent, to making all the necessary contacts with the principals of schools in relationship to our teaching of English classes, and were able to keep in contact at times with the local community groups. But since the transfer that will be coming to an end. Those field officers have still been carrying on at our request in that way, until I believe May 1 and then it will end.

We feel there is a great need for this, to have a number of field officers. We have treasury board approval in the estimates for two such officers. One would service about 11 counties, roughly in a line between here and Georgian Bay, and the other would service some 10 or 11 counties east of that line. There would still be a very large area in the eastern part of Ontario and the northern part of Ontario with which we will not have as direct contact as we would like, but as our programme is extended throughout the province I would imagine that I would be returning to this House for further requests in that line.

Mr. Thompson: Well, sir, I would like to ask the hon. Minister if he feels that the community programme branch, which has a number of officers across this province and which has been carrying out this work, has not been doing it satisfactorily because of the onus of work over the past year, and is this why he has to duplicate this particular area by having the liaison officers?

Hon. Mr. Yaremko: There is no duplication of any kind. The Department of Citizenship has expanded its programme along the lines as outlined by myself and in some ways following out some of the suggestions of the hon. member. Indeed, if we were to carry out the functions of all levels of government which the hon. member spoke about, both municipal and federal, we would have to have a staff at least five times as

large as we have now. We feel that the work which the department is doing is having a salutary effect within the metropolitan area and the benefits of that programme should be extended through other parts of Ontario and that will be done. The community programme branch has its own field of activity which I think it will carry out in as admirable a way as it has in the past. We have taken over certain duties. We are expanding the work of the department above and beyond what was done in the community programme branch. As a matter of fact, I will recall to the hon. members of the House, Mr. Chairman, that by reason of the transfer of the comparatively small staff and the fusion of that staff with the section of the department, it is my personal belief that the work of citizenship in this province made a tremendous stride forward. With the same number of staff from an administrative point of view we were able to tackle more and accomplish far more than they were in separate units.

Mr. Thompson: Sir, could I ask a question? I understood the community programme officers had been emphasizing the citizenship role on a broader basis than just with new people who have arrived. They have been doing this through a number of voluntary organizations for a great number of years and they have quite a proud record in it. The hon. Minister has said that he does not want to refer to immigration; he was talking of citizenship. But in all of the programme I hear nothing of the native-born Canadian, of the young person who is arriving at the age of 21 who was born in this country. I do not see anything except an emphasis on new people who have come to Canada with respect to citizenship. Is it his approach to broaden out into giving an emphasis on citizenship in other than just with immigrant groups, and if so what would he do?

Hon. Mr. Yaremko: Mr. Chairman, citizenship is citizenship regardless of who the individual is, and it is our task to bring the principles of citizenship to as broad a field as possible. Our primary consideration at the present time naturally falls with those who are newcomers to Canada, but our approach to that is only based on the fact that the department has, within its staff, men and women who are especially trained to deal with the matter of citizenship in relationship to newcomers. But the principles of citizenship remain the same.

Now, the community programme branch deals with such things as leadership training, community recreation and co-operation with community groups in general. Its function in

relationship to newcomers is dealing with these people as residents of a community who can participate in leadership training and the recreational programme. Ours for the moment is a little more specialized.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I wonder if the hon. Minister would advise me of the latest report which has been issued of the Liquor Control Board. What is the latest report that has been tabled?

Hon. Mr. Yaremko: The Liquor Control Board does not fall within the special jurisdiction of the Provincial Secretary. If there was one tabled the most recent one would be noted in the votes and proceedings of the House.

Mr. R. C. Edwards: Mr. Chairman, would not the Liquor Control Board report be tabled through the hon. Provincial Secretary?

Hon. Mr. Yaremko: The report was tabled by the hon. Minister from St. Andrew (Mr. Grossman) for the period March 31, 1961, and it was tabled by him last fall.

Mr. R. C. Edwards: Mr. Chairman, I received neither the 1960 nor the 1961 report, and I wondered if it had become the policy not to distribute them to the hon. members? But, in any event, I should like to ask a question in this matter, and if this is not the proper place to discuss it, I wonder if you would tell me, Mr. Chairman, where I might raise the question.

Hon. Mr. Yaremko: Mr. Chairman, I do not know what the hon. member's question is.

Mr. R. C. Edwards: I wonder if the hon. Minister would let me ask the question and then advise me.

Hon. Mr. Yaremko: Well, Mr. Chairman, I am pointing out to the hon. member that the hon. Minister without Portfolio (Mr. Grossman), the chief commissioner, tabled the report ending March 31, 1961, in the House last fall. It is available to the hon. member. So far as my recollection is concerned the hon. member will be receiving the report in due course when it is printed the same as has been done in the past. But, Mr. Chairman, this is a matter which does not fall within the purview of these estimates.

Mr. R. C. Edwards: Mr. Chairman, you will recall that earlier in the session the hon. Prime Minister advised us that we would have the opportunity to discuss the operation

of the various departments of the government under the estimates. I was of the opinion that since the hon. Provincial Secretary tabled reports or has in the past this has been the department in which we would discuss the matter of liquor policy, that this would be the opportunity for the Opposition to discuss this matter. Now if this is not the right place, I wonder if someone would tell me where I might discuss the matter?

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, if the hon. member has any questions of any board or commissions, we have a committee on government commissions at which we would have present the chairman of the Liquor Control Board, and this is the place and this is the form that is used to go into the functions of these various boards. They all appear there, the Racing Commission, and the Water Resources Commission, Hydro and so on. That would be the proper place for the hon. member to ask any question he may want to raise about the functioning of the commission.

Now, the hon. Minister without Portfolio (Mr. Grossman) is chairman of the Liquor Control Board and if the hon. member has any questions that he wants to address to him, I suppose it could be done. He could either put them on the order paper or ask him before the orders of the day, but certainly it does not come within the estimates of this department because the hon. Provincial Secretary, of course, has a report of every department of government, in his function as Provincial Secretary.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, now that we are into this question, I would submit to you that I cannot agree with what the hon. Prime Minister has just said. It is true, of course, that we can talk about Hydro, we can talk about the other commissions in this particular committee called the committee on commissions. But there must be, Mr. Chairman, I suggest to you, an opportunity at some time in this Legislative Assembly to discuss all questions relating to all aspects of provincial government; and in particular revenues and expenditures of certain facets of the government.

Now, surely, there must be afforded the hon. members of this Legislature the opportunity to debate this very important question of liquor at some time during the legislative session. I am not of the mind that it necessarily has to be done under this estimate, maybe there is another estimate, but what

the hon. member for Wentworth (Mr. R. C. Edwards) is asking for is to be advised when this particular matter can be debated.

Hon. Mr. Robarts: I can only say that the procedure and rules of the House provide two places where we may touch on any subject we want. One is the Throne debate and the other is the budget debate. Now what the hon. member is looking for, I assume, is an opportunity to cross-examine somebody about the functions of the Liquor Control Board. I suggest the place to do this is in the committee on government commissions. This is traditional; it has been done on every other committee or commission of government.

Mr. Wintermeyer: Mr. Chairman, I agree with the hon. Prime Minister (Mr. Robarts) that under the purview of the two debates, namely budget and Throne, hon. members are permitted to talk about anything under the sun, that is an ancient parliamentary rule. But there is another basic rule of the House and that is that the hon. members of the Legislature are permitted to examine into and question the fiscal operation of all departments of the government and all the subdivisions of the various departments. Now certainly one of the subdivisions of some department of government must be the Liquor Control Board and I submit—

Hon. Mr. Robarts: No!

Mr. Wintermeyer: Mr. Chairman, the hon. Prime Minister shakes his head and says no. If that be the case, then I think it is time that we determine right now that an opportunity should be afforded. Just because he feels that the discussion is not proper here or under another estimate does not invalidate my argument at all. It is my recollection, Mr. Chairman, that in years gone by, we have always debated this particular question of liquor under the hon. Provincial Secretary's estimates.

Hon. Mr. Robarts: No!

Mr. Wintermeyer: Well, we certainly have been permitted to comment on it.

Hon. A. Grossman (Minister without Portfolio): Not in detail, Mr. Chairman. The hon. members who were at the committee on government commissions were always privileged to, and always did, go into all the details—

Mr. Wintermeyer: Mr. Chairman, exactly what is the hon. Minister afraid of? Certainly

we have been before the committee. We have been before the committee on many things. But I want instructions as to when we can debate this matter in this Legislature.

Hon. Mr. Robarts: Mr. Chairman, I will speak to this for a moment. There is no desire on my part to limit the debate about liquor or any other matter. I quite frankly do not see just where this thing can be debated in this House, other than in the two debates I have mentioned. This is where I think it should be debated. However, I will be happy to check into the rules of the House and see what can be done about it. At the moment, I just do not see a solution to the problem but I am quite prepared to look into it.

Mr. Wintermeyer: I just want to pursue this to a conclusion, Mr. Chairman. I am prepared to accept the hon. Prime Minister's suggestion, provided he give this House the assurance that if the rules do permit we will not be precluded from reopening these very estimates. In other words, I do not want the suggestion to be made a week hence that the proper place—

Hon. Mr. Robarts: I certainly would never give an undertaking that the Opposition can reopen these estimates, because there is no item in these estimates that deals with the Liquor Control Board. All I am saying is I will attempt to make some sort of an arrangement whereby these matters can be debated, that is all.

Mr. Wintermeyer: In the Legislature?

Hon. Mr. Robarts: Yes.

Mr. K. Bryden (Woodbine): Mr. Chairman, I would like to point out that one of the difficulties in this matter is the fact that the committee on government commissions, and also the committee on public accounts, hardly ever meet. According to my recollection—

Hon. Mr. Robarts: That is quite false.

Mr. Bryden: We started this session of the Legislature in November, Mr. Chairman, we are now into March. There was a recess, of course, but we are now into March, and certainly the committee on public accounts had at most one meeting, and the committee on government commissions, nine. Both of those committees, Mr. Chairman, are committees where the Liquor Control Board could be discussed.

Mr. J. Root (Wellington-Dufferin): Mr. Chairman, on a point of order, the hon.

member has mentioned the committee on government commissions. I happen to be chairman of this committee and no one has asked me to arrange a meeting. As chairman, I have made arrangements for the committee to meet on March 21—these arrangements being made some time ago.

Interjections by hon. members.

Mr. Chairman: Order! Order!

Mr. R. C. Edwards: I would remind you, sir, that during the first session of this Legislature, an entire afternoon and part of an evening was given over under these estimates to discuss the matter of the liquor control policy of this province. I would remind you, sir, that under that session we ranged the complete field, we had the opportunity to discuss the policy of advertising as it applies in this province and I suggest to the hon. Prime Minister—

Mr. Chairman: Order! The hon. member heard when he could discuss this.

Mr. R. C. Edwards: Mr. Chairman, do I not have the opportunity to put my suggestion to you? Certainly I should be able to make my point. I will abide by your ruling, sir, but I suggest that it is not proper to not allow me to continue to make this point. I suggest to you, and through you to the hon. Prime Minister, sir, that there is a precedent that has been established in this House. It was permitted for a full day during the first sitting of the Legislature and I think that it is out of order—

Hon. G. C. Wardrope (Minister of Mines): I bet the hon. member is on his feet more than I am.

Mr. R. C. Edwards: I am getting tired of the interruptions from the hon. Minister of Mines, Mr. Chairman. I do not interrupt him while he is speaking—

Hon. Mr. Wardrope: I never get a chance to speak.

Mr. Chairman: Order!

Mr. R. C. Edwards: Mr. Chairman, I leave it at that and I suggest that the hon. Prime Minister reconsider this. I wonder if he would reconsider it in view of the precedent that has already been established in this Legislature.

Hon. Mr. Grossman: Mr. Chairman, perhaps I can throw some light on this. The hon. member is quite right. Actually the

chairman of the Liquor Control Board in this House at every session presents a speech on the operations of his board, either during the Throne debate or during the budget debate. I am at this time preparing such an address for the budget debate. At that time I am sure any questions they have in mind they can ask and they will get their answers.

Interjections by hon. members.

Mr. Chairman: Order.

Hon. Mr. Robarts: I have given the hon. Leader of the Opposition (Mr. Wintermeyer) my assurance that I will make some arrangements for this to be debated. I can only point out to hon. members that since the House last met we have an hon. Minister of the Crown who is chairman of the Liquor Control Board (Mr. Grossman). In other words hon. members cannot compare the situation this year with the situation last year.

If they go back into history, if they go back to the time when I first came into this House, the chairman of the Liquor Control Board was always a Minister without Portfolio and answered in the House. I do not know this morning, when asked in the middle of these estimates, exactly how or in what form he spoke or how it was set up. I am quite prepared to find out. The liquor question in my opinion should be debated here just as freely as we debate matters of highway safety, welfare or anything else. There will be a complete, frank, full discussion. Now I cannot make it any clearer than that.

Mr. D. C. MacDonald (York South): Mr. Chairman, the hon. Prime Minister (Mr. Robarts) has indicated that he is willing to look into this, but may I just draw to his attention another variant on this same problem that we have argued with for years and I think we came up with a solution. At least I hope we have a solution. For years the Opposition complained that on Hydro there was a report made as part of the Throne speech, but there was no opportunity to discuss the detail across the floor of the House in the fashion we feel is necessary, and I think a significant body of public opinion feels is necessary.

The hon. Minister of Energy Resources (Mr. Macaulay) a year or so ago indicated that he was willing to consider Hydro as part of his estimates and we have since had a full discussion of it. My feeling is that this resolved the problem.

I am supporting the plea of the hon. leader of the Opposition (Mr. Wintermeyer) and others because I think this is exactly what we are seeking here. Each of these bodies, the liquor commission and Hydro, have budgets that are far bigger than the majority of departments and therefore I think it is a legitimate proposition that we should have full scope across the floor of the House for the kind of questioning that we normally have on estimates. This, I understand, is what the hon. leader of the Opposition is pleading for and I support his plea.

Mr. Bryden: Mr. Chairman, on vote 1601, most of the attention of the House so far in the discussion of this very important estimate has been directed to the citizenship function of the department. That is as it should be; it is a very important function of the department. However, the department does have other functions as well, which I think should be considered.

There is one in which I am particularly interested and that is the administration of The Companies Act.

In last year's session I expressed my views on that Act. I will not repeat what I said at that time, except to call attention to what I consider to be a very unsatisfactory situation. The Companies Act of this province can readily be used by a person who wishes to shield his activities or to escape from his responsibilities.

As we know, anybody who really is just carrying on a private business can become incorporated and thereby enjoy the advantages which are quite substantial of incorporation by getting, I think it was Mayor Whitton of Ottawa who said, any two of his sisters, or his cousins or his aunts, to associate with him as shareholders. He can then become incorporated with three people—two of them just being his own nominees and mere extensions of himself as far as the business is concerned—he has what amounts to a private business, but he enjoys the limited liability that The Companies Act provides.

On the previous occasion—a few days ago when we were discussing citizenship—there was considerable attention drawn to the problem, and I think it is quite a serious problem, of new Canadians being invited to come to this country and then in some instances being subjected to most vicious exploitation when they get here, particularly in their role as employees. I do not need to go all through that, we are all familiar with the blow-up that happened in Toronto last year and the very serious exploitation which gave rise to it.

I am suggesting, Mr. Chairman, that The Companies Act and the way in which it is phrased and is administered, is a contributing factor to the problems in which some of these new Canadians found themselves. Some of the people who were exploiting them most viciously were people who were sheltering under the protection of The Companies Act of this province.

In other words, they set up what was really a dummy corporation. It was just a private business, but they were in the position where their liabilities were limited; they risked little, if any, of their own money. They saw an opportunity where they hoped they might make a quick profit with very little investment of their own by getting into the sub-contracting field in the building industry. They found in many cases that their little scheme did not work out quite as well as they had thought so they went into bankruptcy.

I am not expert on the laws of bankruptcy, but from what I have seen of the results I think they need some tightening up. However, that is not the function of this Legislature, it is the function of the Parliament of Canada.

These men hired workmen, usually immigrants, who were not too familiar with our ways, customs or laws. The men accepted employment in good faith expecting that they would be paid for their labour as they were entitled to be. But then the employer through his dummy company went into bankruptcy and the worker would collect perhaps a few cents on the dollar on the wages and other benefits owing to him. Within a relatively short period of time, within a few months, the person who really had cheated them—I admit he had not legally cheated them but there it was—he was out from under the bankruptcy and he could set up in another company. It is the easiest thing in the world, I would judge, to be incorporated as a company in this province and I suppose in any province. He could just set up in a new company free of all his obligations, having cheated the workmen out of their wages, and start all over again.

I may say that this difficulty arises not only in relation to the exploitation of labour, particularly of immigrant labour. I think it is a factor in the very difficult and perplexing situation we have in many of our municipalities at the present time where some people are driving trucks through municipal by-laws. In fact, I think it was stated by the investigating commission in the town of Mimico that the developers had pretty well taken

over the running of the building department in Mimico.

Again the provisions of The Companies Act permit irresponsibility. A person can get into the position where he can escape his just obligations and if he is caught in one instance he wiggles out and sets up under a new name, he becomes a new personality and starts all over again.

I submitted to the hon. Provincial Secretary (Mr. Yaremko) last year that this sort of problem should be looked into. I do not imagine that my suggestion was given any consideration at all, but that does not mean that it is not a serious problem. When I raised the matter last year the answer of the hon. Provincial Secretary was that under the law any company or any person—and it really is an individual in most cases of company incorporations in Ontario—anyone who incorporates, and therefore enjoys the provisions of The Companies Act with regard to limited liability, must include in the name of his company the word “limited”. This is a warning to any person dealing with him or dealing with his so-called company that he enjoys limited liability.

Now this, I imagine, is a very grave warning to workmen who may not even be able to speak our language and certainly know nothing about our laws. It is certainly no warning to them that they should be careful in dealing with the fellow, and should make sure that they get their wages cash on the barrelhead. Unfortunately a great many of them did not get their wages at all. I think it is regrettable that laws of the province in one phase should assist those who wish to evade at least the spirit of the law in other areas, and who wish to evade just obligations.

I think that it is very unfortunate in the specific matter of the regulation of the construction industry. I have already suggested in this House and others have—in fact, there is a resolution on the order paper to this effect standing in the name of my hon. leader (Mr. MacDonald)—that there should be provision for licensing of all contractors and subcontractors in the field. I think that is necessary, and I think it is also necessary to take a hard look at The Companies Act and at these provisions which allow three people to get together to incorporate a company.

I do not think there is any sense to that provision at all. Three people getting together to incorporate a company should be able to carry on, if they are genuinely three independent parties which is rarely the case, under some other arrangement. The privileges of legislation like The Companies Act should

be made available only to substantially larger aggregations of individuals who wish to engage in some sort of joint enterprise.

I would venture to suggest that if an analysis were made of the records of The Provincial Secretary's Department it would be found that a majority—and probably the overwhelming majority—of companies that have been incorporated with three shareholders consisted of what were really just private businesses or partnerships. Either one or two of the three shareholders were not true shareholders at all; they were simply nominees, somebody's secretary or somebody's mother or wife. I think when the law is being abused in that way we should take a look at it.

Mr. A. F. Lawrence (St. George): Are we still on vote 1601? I was quite interested the other night when the hon. member for Wentworth (Mr. R. C. Edwards) was last speaking on this estimate. He was leaving the impression of being critical of the waste of the taxpayers' money and he tied in with this an innuendo that perhaps there was too much being spent on the statutory vote 1601 in relation to Ministers without Portfolio. I do not know whether I am in order on this particular vote or not, but my question relates to the salary of the hon. leader of the Opposition (Mr. Wintermeyer).

My impression is that that is a statutory vote. My question to the hon. Minister is in three parts. First, why is not the salary of the hon. leader of the Opposition shown as a statutory vote on the main office vote? Secondly, what is the total amount that the hon. leader of the Opposition receives in regard to salary and expenses? Thirdly, in the accounts for last year there is a name B. Upper; the amount is \$6,999.96. What services does Mr. B. Upper provide to the government of Ontario?

Hon. Mr. Yaremko: Mr. Chairman, before I come to the hon. member's question, I should like to make a remark or two about the remarks of the hon. member for Woodbine (Mr. Bryden).

Mr. Chairman, the province of Ontario can be well proud of its Corporations Act. The Corporations Act of Ontario is being followed as the model Act for all provinces of Canada, which will be considering the adoption of a uniform Companies Act modelled after our Act. The basic reason, the basic idea behind the limited company was established well over 100 years ago—and, I may say in England—and really formed the very basis for the economic expansion of Britain and

then to the Commonwealth common law countries.

I was surprised to hear the hon. member say that the privileges of limited liability should only be extended to large corporations.

Mr. Bryden: I did not say large corporations, I said larger groups of individuals.

Hon. Mr. Yaremko: Larger groups of individuals. Well, Mr. Chairman, for the knowledge of the hon. member, almost 80 per cent of some 60,000 or more companies operating in Ontario are the small individuals, the small shopkeepers, the small operations, up and down the length and breadth of this province, who—I suggest to you, Mr. Chairman—are as much entitled to the advantages of the concepts of limited liability as any of the large business corporations of this province.

I invite the hon. member to go to our public search offices and get out the names of all of these private companies and then visit for himself the fine—and there are tens of thousands—business operations being carried on in this province with the advantages of limited liability.

I would bring to the attention of the House, Mr. Chairman, that there are certain jurisdictions, Michigan for example—and I believe in the old country now they are considering the adoption of the one-man corporation where you will not need three individuals to form a corporation, but one person can incorporate himself or create the entity, the concept of a corporate personality with the advantages of such a legal person.

No one decries more than I do the fact that certain individuals might shirk their responsibilities in carrying out their obligations to their workmen or to their suppliers in instances that have occurred in recent years. The provisions of The Bankruptcy Act are a federal responsibility and it is my understanding that the Canadian Bar Association is making representations and the matter will receive its review to curb any abuse of the provisions of The Bankruptcy Act, which also were devised in many cases to assist the small individual who, through no act of his own or no wish of his own, has fallen into bad circumstances.

I do bring to the attention of the hon. member, provisions of section 73 of The Corporations Act of the province of Ontario. It reads as follows:

The directors of a company are jointly and severally liable to the clerks, labourers, servants, apprentices and other wage earners thereof for all debts due while they

are directors for services performed for the company not exceeding six months' wages and for the vacation with pay included for not more than 12 months under The Hours of Work and Vacations with Pay Act and the regulations made thereunder, or under any collective agreement made by the company.

Now, Mr. Chairman, the question of the hon. member for St. George (Mr. Lawrence) in relation to the two votes, 1602 and 1606: Mr. Boyd Upper is employed as executive assistant, I believe, to the hon. leader of the Opposition (Mr. Wintermeyer). His salary, which is designated by the hon. leader of the Opposition, presently stands at \$9,000, but the hon. leader of the Opposition is in a better position than I to outline in detail, if he so desires, the duties on an all-year-round basis of Mr. Upper.

In relationship to the honorarium paid to the hon. leader of the Opposition—the total amount to which he is entitled, as a member of this House—the provisions are \$5,000 and \$2,000, and then by virtue of his office to \$12,000 and \$2,000, making a total of \$21,000.

Mr. MacDonald: Mr. Chairman, I would like to comment on the observations of the hon. Minister and the comment of the hon. member for St. George (Mr. Lawrence).

Mr. Lawrence: I was not making a comment, I was asking a question.

Mr. W. B. Lewis (York-Humber): Mr. Chairman, can we have the answer from the hon. leader of the Opposition?

Mr. MacDonald: May I speak without interference? Is the hon. member for York-Humber chairman of the committee here?

Mr. Lewis: I believe I have the same privileges as the hon. member for York South.

Mr. MacDonald: And I have the floor.

Mr. Chairman: Order.

Mr. MacDonald: Well, Mr. Chairman, I do not want to get into the argument at the moment; that has become a theme with the Opposition group, with regard to the effectiveness of the contribution of the hon. Ministers without Portfolio in the government. But what I am very disturbed about is, that if there was an innuendo in their comment, then there is also obvious innuendo in the question that the hon. member for St. George (Mr.

Lawrence) has raised—because it is in the nature, in my view, of a cheap counter-attack which he himself, Mr. Chairman—

Mr. Lawrence: On a point of order, Mr. Chairman, I assume that I will be given an opportunity to reply to this attack, will I?

Mr. R. C. Edwards: Mr. Chairman, since I was mentioned, I would like the same opportunity.

Mr. MacDonald: Mr. Chairman, the point of the whole question and the innuendo involved in it is to throw doubts on the wisdom and the validity of the amount of money that is now being provided to the Opposition ranks. Clearly there can be no other purpose when you are queried as to the amount of money that was voted.

Now, on this general proposition, Mr. Chairman, I want to say something. I do not happen to be in the position at the moment of the hon. leader of the Opposition (Mr. Wintermeyer), but I want to say that it was a scandal that this province did not, until two years ago, place a person whose position historically in any legislature is as important as the hon. leader of the Opposition, at least in the category of the back bench member of the Cabinet. And that is all that happened a year or two ago, because I submit, Mr. Chairman, and anybody—

Hon. Mr. Wardrope: We did it, though.

Mr. MacDonald: Fine, you did it, but you did it only after years and years of pressure and the whole implication of the question asked by the hon. member for St. George is to undermine this move. I give this government credit for moving in the right direction, but I am disturbed by a younger member who normally takes a more enlightened and progressive approach to this—Mr. Chairman, if the hon. member wants to answer, I think he will have an opportunity to deal with it later.

This government has moved in the direction, I think, of meeting the situation in a better fashion than has been done in the past. But I think they have taken only a step in that direction. I reiterate that I think the hon. leader of the Opposition is not only as important in the history of parliamentary government, the hon. leader of the Opposition is infinitely more important than two-thirds of the members of the Cabinet. Because, with out an effective Opposition, you do not have parliament in the British tradition.

An hon. member: Why does the hon. member not move over?

Mr. MacDonald: I am not moving over with them. I am defending a principle and I sometimes wonder whether the people opposite could recognize a principle if they met it walking down the street in broad daylight. Now, I would just like to go one step further, Mr. Chairman, not to provoke or disturb or irritate this government beyond pleading that they move further in the direction that they are going. It is always thrown back at us that we in the Opposition have the right to use all of the government departments and their research staff and so on and I do not for one moment want to be unduly critical of the fact that they do not co-operate with us, because normally they do, but it is the nature of the situation that the government and hon. Cabinet Ministers and even government members have a better opportunity to use the whole machinery of government for their purposes.

Interjections by hon. members.

Mr. MacDonald: Fine, Mr. Chairman. Somebody interjected and said "This is what the people wanted; they elected the government." Fine. But the people also elected an Opposition and at the present time, perhaps it would be salutary for government members to remind themselves that the votes represented by the Opposition at the moment are more than the votes that they represent. And, therefore, as a claim on the public purse—

Hon. Mr. Wardrope: I challenge that.

Mr. MacDonald: The hon. Minister of Mines (Mr. Wardrope), as usual, would be in error. Well, Mr. Chairman, as a claim on the public purse, if the public business is going to be fulfilled, I think that not only the present amount of money should be spent for the Opposition groups—both the official Opposition and the group that I happen to be leader of at the present time—but a larger amount of money should be made available. Any government—if you will face it, in your heart of hearts—will acknowledge it is going to be only as good as its Opposition. It is going to be saved from a lot of its follies by an effective Opposition which reveals those follies before they generate into something more than just a folly. We have had too many experiences and documentations of that kind of development in the last five or six years.

The reason I rise is not to defend the hon. leader of the Opposition (Mr. Wintermeyer)—he can defend himself, and he can defend the salary that goes to Dr. Boyd Upper—but I am rising to defend a principle and I am shocked and surprised that the particular hon. member who got up should, with the innuendo in his question, start to undermine what I would like to believe he himself supported—the idea of giving more resources to the Opposition so that they can fulfil their job.

So if we are going to debate this, and I think we should debate it, I hope we will debate it on the level of recognizing what parliament and legislatures need if they are going to be able to do an effective job.

Mr. Lawrence: Mr. Chairman, I welcome the attack by the hon. member for York South on me.

Mr. MacDonald: It was not an attack.

Mr. Lawrence: It was not an attack? What was it? He mentioned the word—

Mr. MacDonald: On a question of privilege, Mr. Chairman. I am getting a little weary—and I think the public is getting a little weary—of differences of opinion that are immediately construed as personal attacks. I have gotten up and disagreed with the views of the hon. member for St. George (Mr. Lawrence). Now let him get up and disagree with my views, but do not let him say that I am attacking him personally.

Mr. Lawrence: Mr. Chairman, I do not intend to disagree with the views just expressed by the hon. member for York South (Mr. MacDonald), and if he would keep quiet for a minute he would learn that. But I just used the words "cheap attack on me." I used those words because I wrote them down as he mentioned them a few moments ago in referring to me. I deprecate that type of language in this House. I deprecate it very much, and I have said so publicly in the past, and I would like to say it to the hon. member who uses those terms in relation to me, right now.

Now, let us take it back in chronological order. Perhaps the hon. member was not here the other night when the hon. member for Wentworth (Mr. R. C. Edwards) first brought this matter up, but there was certainly a slur, an innuendo, left at that time by the hon. member, and I hope I am being fair to him. He stated at that time, or left

the impression at that time, that this government was wasting the taxpayers' money because of the statutory amount shown in this vote that we are now supposed to be discussing.

My point in rising was twofold. First of all to bring to the attention of the public that there is no statutory amount shown in this vote for the salary and expenses, which are more than for any hon. Minister without Portfolio and which is paid to the hon. leader of the Opposition. That was my first attempt and I think, thanks to the hon. member for York South (Mr. MacDonald), the public's attention has now been directed to that. It is something that is not mentioned very often in this House and I think it should be, because I think it is a good thing and I agree with it. But I am also getting a little bit tired, with this small group over there especially, and this slightly larger group there, continually yelling and yelping and bellyaching about the services or the lack of services provided to them for research work in this House.

I agree that services should be provided. I agree with that, but I think it ill behooves the hon. leader of that party, that small party there, that minority group there, and that hon. leader who is, after all, a backbencher and has no more rights than I have in this House, to stand up and use the words and the language and the tone and the innuendo he has now used, especially in relation to me. I agree that there is a role in this House, and in every parliament, for the Opposition. My own doubt is that perhaps in this House the Opposition is not playing that role the way they should be, but that is a matter of opinion.

My second point in bringing this up at this time is to point out that there are far more services provided to the hon. members in the Opposition by the government and thus the taxpayer, by this government, not by any previous Liberal government but by this government, these people. These services are not provided to the backbenchers on the government side and they should be.

Now when the hon. member for York South (Mr. MacDonald) continually complains—may I point out that the people sitting behind him have far greater services provided by the taxpayer than we do on this side.

Mr. Bryden: What services do we have provided?

Mr. Lawrence: They have far more stenographic services, they have far more facilities

for interviewing clients and having research done for them—

Mr. Bryden: No facilities for research, we do our own!

Mr. Lawrence: And they are a minority group, a very small minority group and for any hon. member on the Liberal side to stand up and make criticisms of the paltry amount paid to the hon. Ministers without Portfolio just irks me no end. It irks me no end, because on that side at least they have a research assistant. We do not. There are no services and facilities provided for the backbencher on the government side.

My plea is I agree with what they have. Perhaps they should have even more. But do not criticize us, for heaven's sake, for standing up and attempting to make the same sort of plea that they have been making. Also, I would like to have the hon. member for York South apologize for saying that this was a cheap unwarranted attack.

Mr. R. C. Edwards: Mr. Chairman, may I start off first of all by thanking the hon. member for correcting the inference that he obviously left. Whether or not it was intended I do not wish to comment.

I would like to talk a little bit about this—

Mr. Lawrence: I said it was not intended. Take my word for it.

Mr. R. C. Edwards: Mr. Chairman, I shall be very happy—

Mr. Lawrence: Just a minute, Mr. Chairman, I am sorry, I did not hear this last brilliant, witty remark. The hon. member for York South (Mr. MacDonald) speaks into that microphone all the time without standing up. If he has the guts to stand up and say something, then say it so we can hear it.

Mr. R. C. Edwards: Mr. Chairman, to the hon. member: if he says it was not intended I accept his word.

Mr. Lawrence: Thanks too much.

Mr. R. C. Edwards: But I would like to talk a little bit about the principle which has been raised as a result of these comments, and I am going to use some words, and they are calculated words, they are intended, sir.

Hon. Mr. Wardrope: Well chosen, I suppose.

Mr. R. C. Edwards: That will be for the hon. Minister to decide himself. They will not be windy anyway. I do not intend to get imbroiled in temper here, sir. This is

a matter which I have complained about since I came to this House, I am going to continue to complain about it until it is corrected.

Mr. Chairman, I suggest to you that in view of the amount of estimates and the budget which has been brought down by the hon. Provincial Treasurer (Mr. Allan), the amount of money which is available to conduct the office of the hon. leader of the Opposition (Mr. Wintermeyer) shows nothing more nor less than a contempt for the Opposition on the part of the government of the day. I suggest to you, sir, that the amount of money—

Interjection by an hon. member.

Mr. R. C. Edwards: I have the floor and I am going to keep it until I am through. I suggest to you, Mr. Chairman—

Mr. Chairman: Could we have a little order!

Hon. Mr. Wardrope: We are too polite, that is the trouble.

Mr. R. C. Edwards: Mr. Chairman, I do intend to be polite, but I intend to be firm. I will repeat that in my opinion the amount of money which is available shows contempt for the Opposition and for the people who sent them here.

Hon. Mr. Wardrope: Perhaps they deserve it.

Mr. R. C. Edwards: I would further state to you, sir—I was going to use another word and tell hon. members that it was miserly and I think it applies and I think when I am through they will agree with me that it does apply.

The hon. member mentioned the salary which is available to the chief executive assistant of the hon. leader of the Opposition. The amount has been quoted. I think the hon. members of this Legislature should know the total amount of money which is available to the hon. leader of the Opposition to perform the very important function of government, if our way of life is to continue. This is not a laughing matter, I would assure the hon. Minister of Mines (Mr. Wardrope). This is a matter at which I think the public of this province would rebel at if they knew the facts and I intend to put them on the record. I have the permission of the hon. leader of the Opposition to put them on the record. He is permitted out of a billion dollar budget, the total sum of \$18,000 to run the office of the leader of the Opposition.

Hon. Mr. Wardrope: Plus—\$18,000 plus!

Mr. R. C. Edwards: Someone has suggested plus nine! I think the hon. members of this House should know that the \$9,000 comes out of that \$18,000, so I will correct that in print right now.

This is the money which is allotted to the leader of the Opposition to employ the various help that he requires in order to do the research work, in order to carry out the functions for which he is charged and which affect every citizen of Ontario. This amount of \$9,000, which is left after paying a chief executive assistant, is the money that is available to employ stenographic help, to purchase the supplies that are necessary in an office and to do all the other activities which are required by the Opposition.

Now I think it is no secret on this side of the House that the hon. leader of the Opposition (Mr. Wintermeyer), being the type of a man that he is, has personally reached into his own pocket in order to supplement these amounts to carry out the function of government which is charged to him.

This being the case, Mr. Chairman, I submit to this House that the amount of money which is available to the leader of the Opposition shows contempt for the Opposition. Is it any wonder we feel that perhaps the growth of the Cabinet should stop, and a little bit more money be made available to the Opposition? The leader of the Opposition does not have a limousine and a chauffeur to drive him around as do the minor officials in the Cabinet and in the government; he does not have access to these facilities. The suggestion has been made that in my original statement I was misleading the public when I stated that there was a waste of the taxpayers' money. I would say this, that the amount of money which is available to the Opposition is in itself a waste of taxpayers' money because it inhibits the work of that Opposition and prevents them from having the facilities to bring to light the faults of the government as is their traditional responsibility and is the wish of every citizen of this province.

Mr. Chairman, since we are dealing with this whole subject I would state that it is necessary for private members on this side of the House to infringe upon the limited resources available to the leader of the Opposition. If they wish to do any work themselves, if they wish to interview anybody from their constituency, and it is not once it is many times, I have seen this honourable gentleman give up his office in order to make it available for members of this House to

conduct the business which is rightfully theirs when they are sent here elected in the first place. And all because they happened to be back-bench members and do not have any facilities whatsoever in which to do that work.

I am pleased that this matter has been raised in this Legislature and it is my hope, my hope, Mr. Chairman, that the press that is here today will report these remarks and let the people of the province find out what really is going on, and then I think the situation will be corrected. I think when that mass of public opinion does come forward—and I am certain that it will come forward—when this matter is brought to their attention the situation will be corrected.

Hon. Mr. Robarts: There are several matters which have come to light in this discussion. I was rather hoping that the hon. member for Grey South (Mr. Oliver) would rise to his feet and defend the position taken by the hon. member for Wentworth (Mr. R. C. Edwards) by revealing to this House the very liberal treatment that was given to the Opposition the last time this Opposition party had an opportunity to deal with an Opposition. For the benefit of the hon. member for Wentworth—and I listened to him and perhaps he does not need to listen to me but he might keep silent—he might be interested to know that the last time the Liberal Party had control of these matters they gave the leader of the Opposition an additional \$1,000 per year, no stenographic help whatsoever, one small office, and a statement by the leader of the party that that would be all the Opposition would ever get as long as he led the party.

This, for some of the newer members in this House who perhaps are not aware of the history of some of these things, I thought might be of interest. Now it is this government under my predecessor, which has broken down this vindictive attitude that was held by the previous Liberal administration. Two years later these services are derided in this House as they have been derided by the hon. member for Wentworth this morning, but I do not think they were derided at the time these were provided for his leader because he was—I think he was—quite happy about them. But two years make a difference. Either that or the hon. member for Wentworth does not know his history.

I would also point out that in this building we are very cramped for space. I could go on and tell you some of the problems of The Department of Education, which is situated in this building, where we have had to double

up, take corridors and put in partitions in order to create office space. There is not a doubt in the world that as the government has grown this building has remained the same size and it is the central building. The Legislature is here where the public meet and we are utilizing every square foot. Particulars of this can be discussed in the estimates of the hon. Minister of Public Works (Mr. Connell), but I am sure he would be delighted to point out to the hon. members what use is being made of office space.

I rather doubt that the hon. member for Wentworth would care to have an office over in the East Block, or downtown, or over at the corner of College and Bay where we might be able to arrange some additional space, but in this House space is at a premium. In this building the facilities for the hon. members have been improved gradually over the years. The hon. member for Wentworth has been in the House a relatively short time and perhaps he does not know. I mean he has complained on numerous occasions about the facilities available to him. He has no basis of comparison to know what facilities used to be available. I do not know what he expected when he was elected. There are many, many men who have served their constituents well and looked after their ridings with the facilities that are available and without finding it necessary to get up and complain and whine about the facilities every time they spoke in this House.

I am simply saying that we are doing the best with the facilities we have available in the House. I think that at least the Opposition has nothing to complain about if they compare the treatment they are getting with the treatment they handed out the last time they had an opportunity to hand out treatment. I think these things must be borne in mind and we must get this whole picture into its proper perspective.

Hon. Mr. Wardrobe: And they would do the same thing again.

Hon. Mr. Yaremko: Mr. Chairman, I would just like to make some remarks. Of all the hon. members of this House, and I say this very sincerely, the hon. member for Wentworth was the last one who should have got up and made the statement he did because, only last Friday, he made this statement which is on page 739 of *Hansard*, about the hon. Ministers without Portfolio:

I believe the salary to those people is \$2,500, per year. Now, they are nice people. I like the Ministers without Portfolio, but I do not think they are doing very much.

I will tell the hon. member the reason why that came about. Only two years ago I was appointed Minister without Portfolio in the beginning of 1958.

Members downtown, senior members of the law profession, everybody I knew, thought that I was getting full ministerial pay. They said: "What does the Minister without Portfolio entitle you to?" I said: "Well, it must entitle me to the initials after my name of W.P." They would say: "What does that stand for?" I said: "Without pay."

I came up to this Legislature 52 weeks a year, or as many weeks as there was a meeting of Cabinet and it was almost once a week. It reached the time when I was up here two days a week. It reached the time when I was up here three days a week, without getting a single extra penny in salary; and no other Minister without Portfolio was paid.

Not only that, but I discovered that having become Minister without Portfolio I could no longer use the members' stationery and had to pay for all the stationery, business cards and all my correspondence out of my own pocket. That year it was somewhere in the neighbourhood of \$400. I had no secretarial staff, except that the secretary to the Cabinet very kindly permitted me to use in an emergency his own secretary to dictate a few letters in the course of a week.

In my nine years as a private member I never used the stenographic services of anybody in this building. I paid for all this out of my own pocket in my law office downtown.

I will say this, that it was brought to the attention of the hon. Prime Minister (Mr. Robarts) who was preoccupied with the affairs of the province, that hon. Ministers without Portfolio were called upon to do a tremendous amount, serving on various subcommittees of Cabinet and individual assignments, and it was meet and proper that they should receive pay. I do not believe that the time—having been a Cabinet Minister without Portfolio—I do not believe that the time that is spent by the hon. Ministers without Portfolio is compensated for by the amount that they obtain and it ill behooves the hon. member for Wentworth (Mr. R. C. Edwards) to make such aspersions.

I do not question the salary which is paid to the hon. leader of the Opposition (Mr. Wintermeyer). The hon. leader of the Opposition knows better than anybody in this House how many days in the course of a 365-day year he spends in this House. I spend, subject to the holidays, every single day. I have closed my law practice up. I have no

other income except what I obtain as a Cabinet Minister and I do not like it, year in and year out, and I didn't even as a private member not in the Cabinet, when members of the Opposition cast aspersions or innuendoes on the salaries paid to the members of the government in charge of the administration of a tremendous department and with tremendous responsibilities in respect to the policies and the expenditures of monies.

I do not begrudge a single penny which is given to the hon. leader of the Opposition in his personal capacity or for his staff or for the hon. members of the other group in this House. Mr. Chairman, no other province, no other province in this country, in this nation of ours, is as generous with the hon. members of the Opposition as this government.

Mr. Bryden: None other has a billion dollar budget.

Hon. Mr. Yaremko: Now we will just make a comparison.

Question 1 to the provinces of Canada: does your government pay the salary of the secretary of the hon. leader of the Opposition and, if so, how much? British Columbia: yes, \$3,200. Alberta: no. Saskatchewan: yes, \$253 per month or \$570 annually. Manitoba: \$550 annually. Ontario: at that time it was \$4,000. Hon. members know what the present salary is. Quebec—

Mr. MacDonald: What date is this for?

Hon. Mr. Yaremko: This is a couple of years ago when we were considering this. Quebec: \$4,000. New Brunswick: no.

Mr. MacDonald: The hon. Minister is peddling history, not fact.

Hon. Mr. Yaremko: I am just bringing the hon. member up to date on what the situation was.

Mr. MacDonald: The hon. Minister is not up to date.

Hon. Mr. Yaremko: The hon. member can correct me.

Question No. 2: does your government make provision for the services of an executive assistant or assistants or economists in the Opposition office, and if so what do they receive as salary?

Quebec: \$7,500 a year. New Brunswick: no. Nova Scotia: no. Prince Edward Island: no. Newfoundland: no. British Columbia:

yes, \$5,000 a year. Alberta: no. Saskatchewan: no. Manitoba: no. Ontario: then \$7,000, presently \$9,000.

Does your government provide maintenance for the Opposition office by way of stationery, typewriters and other supplies and, if so, how much?

Quebec provides office space and supplies, no amount given. New Brunswick, the same. Nova Scotia, the same. Prince Edward Island, only during the session. Newfoundland, the same as Quebec. British Columbia, the same. Alberta, the same. Saskatchewan, the same. Manitoba, the same. We in Ontario then provided office space plus \$2,000 for supplies. The total amount now is \$18,500, and it is within the discretion of the hon. leader of the Opposition (Mr. Wintermeyer) to dispose of that amount as he sees fit.

I will not go into the question any further although I have some other statistics. But I say this categorically: no province in Canada is as generous with the personal income of the leader of the Opposition or with the facilities provided for the members of the Opposition or for a minority group. They do not even come near. We are in the tens of thousands and they are in the mere hundreds.

And I say this, I am surprised that the hon. members supporting the government have put up with their own facilities so long. I was fortunate because I had a law office downtown and I had a secretary available to me whose salary I paid for completely out of my pocket. Every letter I dictated on behalf of my constituents for 10 years was paid for out of my own pocket—

Mr. Bryden: Does the hon. Minister think that is good?

Hon. Mr. Yaremko: No.

Mr. Bryden: Then why does he not do something about it?

Hon. Mr. Yaremko: But it ill behooves a member of the Opposition to claim that others are getting advantages that they have not got.

Mr. Bryden: Nobody claimed that.

Hon. Mr. Yaremko: They did. I say this to the supporters of the government, as a private member I did not have available to me not even one minute or one page of the research facilities of this government in nine years. I did all my own research. Let the hon. member for Woodbine (Mr. Bryden) get

up and tell the House, does he make, as I did as a private member of this House, all of the research himself, does nobody supply him with any of the material?

Mr. Bryden: I will be glad to get up and tell the hon. Minister all about it.

Hon. Mr. Yaremko: I suggest to the hon. supporters of the government: gentlemen, if there is anybody that is hard done by it is they. I have been in those offices that they share together. I have not been in the offices of the hon. leader of the Opposition (Mr. Wintermeyer), I do not know how many square feet he has, but when I see 17 and 20 government members with one telephone available to them in a private office, they are the men who are being hard done by, and perhaps it is because this government is so generous with the Opposition that they have not had the advantages.

Mr. Lawrence: Mr. Chairman, may I state to the hon. Provincial Secretary, sir, when he asked this rhetorical question and wonders how much longer the hon. private members on the government side are going to put up with this situation; may I say: just stick around, not very much longer.

It is in this mood that I have asked these questions, not with any innuendo or impression that I feel the hon. leader of the Opposition (Mr. Wintermeyer) is being overpaid or in any regard such as that. Just one further thing with the figures that the hon. member for Wentworth (Mr. R. C. Edwards) brought down. I am afraid I did not write them down as fast as he was giving them, but did he state that as well as the salary and expenses of \$21,000, which the hon. leader of the Opposition gets, there is an added amount of \$18,000 available for his staff? Thank you.

Hon. T. R. Connell (Minister of Public Works): Mr. Chairman, as the Minister possibly more responsible for supplying these things than any other hon. Minister, I thought perhaps the House might be interested to know just what the hon. members of the Opposition have, and what space the government members have.

When I came into this House ten years ago, as far as I know, I have never been in the Opposition headquarters over here, but I think there was one room with possibly an annex to it. The CCF Party had one room. Now I do not know whether I have been too kind to the Opposition or not, but since being Minister of Public Works I have felt that they had a rightful place around these buildings,

and I have endeavoured to help them out as much as possible.

I still do not know how many offices there are out there on that side, but I think there are about three more than there were when I became Minister of Public Works. And another office that they have not mentioned here this morning at all—and I can only go back ten years in this House, but I have understood that the members of the Opposition outside of the leader of the Opposition, Mr. Chairman, about the only office he had was where one hangs one's coat out here. That was what was supplied to the members of the Opposition years ago. But upstairs on the fourth floor, this government has even gone so far as to supply the Liberal Party with a caucus room.

Interjections by hon. members.

Hon. Mr. Connell: It is more than any other party ever had in Opposition, and they are taking up space there that could well be used for office space of which we are so short.

Now the CCF Party, in addition to their room down here—which is about the prime space in this building in my opinion—they have another office up on the third floor and each of the members of the New Democratic Party has a desk and telephones to himself.

Of our people over here, there are about 15 hon. members who have to be in one office. They have one chair and no secretarial staff. Now I might go on and add this: the Opposition are critical of us for not planning. I do hope to have some announcements about our Queen's Park extension, but going back to what the hon. member for Wentworth (Mr. R. C. Edwards) said the other day with regard to planning, I announced a year ago—and I hope he will not be telling me right after this that it was his idea to supply space for private members, but I do hope that in the final analysis, when we get our planning done, that in this north wing where The Department of Education is now, we are going to have offices, as I mentioned a year ago, somewhat similar to those in Ottawa.

Now, whether it will be one or two or three members to an office, I do not know. But that is in our plan, so I hope the Opposition will give this government a little credit for a little foresight. We have done a great deal, there is more to be done yet, and we will get it done.

Mr. Bryden: This has been a challenge to me; do I not get a chance to answer? Mr. Chairman, the hon. Minister challenged me to get up and say—

Hon. Mr. Yaremko: On a point of information, that is all I wanted to know.

Mr. Bryden: If it is of any interest to the hon. Minister, and presumably it is or he would not have asked the question, I do not get any research assistance from anybody, I do my own research; I write my own speeches and prepare my own material. I think a member is entitled to get some assistance.

It is fine to say that the backbenchers on the government side have no research assistance, which is true, but let us bear in mind that the government itself has behind it all the resources of the public service to provide information for it. And the backbenchers on the government side do not have the same sort of load to carry as members of the Opposition who have to try to keep up with the government that has hundreds of thousands, indeed millions of dollars' worth of facilities behind it.

Now, as for the hon. Minister of Public Works (Mr. Connell), I would like to say that I personally appreciate what I think has been a very genuine effort on his part to recognize the problems of private members, particularly on this side of the House. I think he has done the best he can in a difficult situation, but let us face the fact that the situation is very unsatisfactory.

The hon. Minister referred to what he called an office that we have on the third floor. Well, it is a piece cut out of a corridor, it is not an office. It is true that we have some desks that were taken out of storage since they were surplus for civil service purposes. We managed to get one each for our members, but our hon. leader still has no private office. Any visitor who wanders in for any purpose whatsoever comes directly into the place where the hon. leader's desk is situated. I think any person who has a heavy load of responsibility is entitled to some privacy and to some opportunity to carry on his work in private and to have callers sifted out as between those who really need to see him and those who can see other people.

I do not think anybody on this side of the House has ever suggested that the backbenchers on the government side have been well dealt with in this matter. In fact I have wondered for the longest time why they have put up with it. I never saw such a pusillanimous bunch in my life. They have no facilities at all. I admit with the very inadequate facilities we have we are a little better off than they are, but I would suggest to you, Mr. Chairman, that you could go the length and breadth of this continent and you

would not find any business anywhere that would fail so completely to provide people associated with it, who were considered to have responsibilities, with resources to carry on their work.

A member of the Legislature, if our theory of government means anything, has a responsible position. Yet he does not have the facilities of a clerk in the public service and I think that is a disgraceful state of affairs. The hon. Prime Minister (Mr. Robarts) has said that there are difficulties, that there are problems of space, with which I agree. But I think that the time has come when the hon. members of the Legislature should get some priority. I think other space outside this building can be found for government departments that are now located in it, and all or most of the building can be turned over to the work of the legislative assembly, a very important, in fact the central part of which is the work of the hon. members of the legislative assembly.

I think sometimes that we are considered to be perhaps a little lower down the scale than grade 1 clerks as far as importance is concerned. Maybe that is the fact, but if it is, then our whole theory of government is wrong and we have been telling the people lies for years. I think that it would be proper to say that this building, or as much of it as is required, should be turned over to provide the members with facilities, with offices. Not elaborate offices, but at least private offices where they can carry on their work.

I appreciate the plan which the hon. Minister of Public Works has in mind, but I would like to see something more than a plan.

Hon. Mr. Connell: The hon. member wanted this building torn down a year ago.

Mr. Bryden: I would like to see a more efficient building here and then none of these problems would arise, but I am assuming the hon. Minister will not accept my excellent advice on that, so I am suggesting he takes what he has—the government take what it has—and make it available in the first instance for the members and find other suitable accommodation for departments that would necessarily be displaced.

His plan, as far as I can see, is for some time in the remote future. For all we know he may not even be the Minister when it comes time to implement it. But I am concerned about the situation right now, and I would like to see better facilities right now for the Liberal members, for the New

Democratic members and for the long-suffering multitude on the backbenches of the Conservative ranks. I would be glad to stand up and be their champion; in fact, I would even be willing to try to organize a union for them.

Mr. J. H. White (London South): We do not want that.

Hon. Mr. Yaremko: Mr. Chairman, I would just like to read something that will make the hon. members of the Opposition happy to some extent. I am talking about the official Opposition.

Mr. MacDonald: Obviously we have a little political coup in the making.

Hon. Mr. Yaremko: I have a little clipping here. Now, I do not know the date of this but it is within the last year, I believe. And it would be interesting to note that the period referred to is for more than four decades, that is for more than 40 years—I want you to guess, see if you can figure out where this province is before I let you know.

The clipping reads:

OPPOSITION GETS OFFICES AT PUBLIC EXPENSE

For more than four decades the Saskatchewan Liberal Party has maintained a spacious provincial headquarters in a downtown office block in the capital city even when a Liberal government was esconced in the legislative building.

That is the office of the Saskatchewan Liberal party.

The other day the Liberals vacated their premises, lock, stock and barrel and big trucks carted off tons of files and other office trappings to the legislative building itself.

Now Ross Thatcher, Saskatchewan's Liberal leader, puts his feet under a desk a few doors away from the lair of [the then] Premier T. C. Douglas. This cosy arrangement stems from complaints voiced by Mr. Thatcher about—

—and remember this is a 40-year period we are talking about.

This cosy arrangement stemmed from complaints voiced by Mr. Thatcher about the alleged shabby treatment of the Opposition.

And who gave the shabby treatment? The Saskatchewan CCF government. After four decades—

Mr. MacDonald: And who corrected it?

Hon. Mr. Yaremko: Let us see what made Mr. Thatcher so happy.

He says: "Premier Douglas agreed to oblige and two adjoining offices were made available."

Compare that with the facilities Ontario's hon. leader of the Opposition (Mr. Wintermeyer) has.

Mr. V. M. Singer (York Centre): Yes, have a look at it.

Hon. Mr. Yaremko: I continue:

As far as Mr. Thatcher and the Liberal Party are concerned this arrangement has its practical dollars and cents value. The Liberal Party will save the tidy sum of almost \$10,000 annually.

Now, how does that, with the provision of office space and one secretary compare with the facilities available for the hon. leader of the Opposition here?

Mr. Bryden: Is this not a somewhat bigger province?

Hon. Mr. Yaremko: I will say what Mr. Thatcher says:

For the moment, Mr. Thatcher indicates he will settle for less. The placing of a researcher of his choosing on the Opposition staff at public expense.

Mr. Chairman, we not only have done for the hon. leader of the Opposition of this province what has made Mr. Thatcher evidently quite content, we have gone far beyond and we have included even a very generous provision for the other minority group.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. Wintermeyer: Mr. Chairman, it is a matter of personal privilege on which I wish to speak. I did not intend to say a thing but it does seem to me in view of the manner which this debate has taken, and the political undertones that have been present, particularly in the latter parts of the debate, that I should make this statement.

For myself and my personal salary, in that respect I do not want to comment. There will be those who will say it should be lower or those who might think it should be higher. I assure you I will never ask on my personal behalf for a penny. I only make this point, Mr. Chairman, that prior to the time that I was required to divest myself not only of a legal practice but of other substantial income, I had a far greater income than I have now personally.

Hon. Mr. Yaremko: So did I; so did we all.

Mr. Wintermeyer: Exactly, and to the hon. member for St. George (Mr. Lawrence) I would say this: that I bear him no animosity whatsoever in the way this thing was raised. But now that it has taken the course it has, and the hon. Prime Minister (Mr. Roberts) has suggested that we were complaining and whining, let me say this: I am not speaking for myself. That is the only point I want to make.

I am speaking for the role—as the hon. member for York South (Mr. MacDonald) so aptly put it—the role of the Opposition in a parliamentary system. I am speaking for every hon. member in this House, and I think the hon. member for Woodbine (Mr. Bryden) was perfectly right when he said that if we do not appreciate the significance and the importance of membership in this House, and in all parties, and on all sides, then we are failing in our duty and we are negligent because we are not doing as good a job as we should. This is the year 1960. We talk about education—

An hon. member: The year 1962.

Mr. Wintermeyer: Well, we are in the 60s. We are talking about educational costs that are a hundred times what they were supposedly in the years gone by. Project that thinking into this role and you get some idea of the costs of running this Opposition, for example.

Now, Mr. Chairman, this is the point I want to come to. This is the point I hesitated to bring up but I think it is important for the people of Ontario that they should know and that they do not go away with a misconception of what this is all about.

There is \$18,000 provided for the Opposition offices and that is taken up basically with three salaries. The salary of Dr. Upper—which has been mentioned several times—and the salaries of two stenographers. The balance of about \$2,500, just about \$2,500, is available for telephone calls, for research, for stationery, for all the other multitudinous items of operating an office of the nature of this office. I can assure hon. members that that \$2,500 is not nearly sufficient to pay for the costs that we have incurred in that operation year by year.

Mr. Chairman, I am speaking in this fashion because there may be others in the future who will occupy this position and I think I can speak for the position and not for myself. I can tell hon. members that I am in the fortunate position, due to no fault of my own, where this does not necessarily mean

an extraordinary problem to myself, but for the role of the Opposition it is a real problem.

The cost of operating that office, together with my official function, will be in the neighbourhood of \$100,000 by the end of next year that I have been required to put into this job.

I have not said this publicly before, but if we are going to debate, if the merit of this thing was debated here today, then I make an appeal to the goodness of the people opposite to look to democracy, to look to the dignity of this House, to look to the efficiency and the well-being of the House. It is not effective as it should be and the money is not available to the individual hon. members and to the hon. members opposite to my left and to this group, that is required to perform the effective job that is required to be done on the part of the people of Ontario.

I say to you, Mr. Chairman, that if the people of Ontario knew the costs of this type of thing they would willingly spend this money for more efficiency and more effectiveness. I regret the manner in which this debate has proceeded by making reference to what has gone on 20 or 30 years ago. That is immaterial. Comparing this budget with Saskatchewan is absolutely irrelevant. Compare it with New York, compare it with the states and the jurisdictions of government that are comparable to this government and I think you would find, Mr. Chairman, that the situation that prevails here is that facilities are not available for private members, for the Opposition groups, to perform the job that the people of Ontario expect.

They do not expect that these positions be available only to those who may, due to circumstances, be in a position where they can personally undertake these expenditures. They expect that government funds be used for this purpose.

It is for that reason that I rise, Mr. Chairman, a matter of regret on my part, but I think in view of the manner in which this debate has taken place, I mean in the tone in which it has taken place, it is imperative that this record be put clear and be made known and that something be done about it.

I very much appreciate the observations that were made by the hon. member for York South (Mr. MacDonald). I think he spoke with a genuine appreciation of the dignity and significance of the role of the Opposition. Mr. Chairman, I would suggest to you that all hon. members take the opportunity to read what Churchill said about the Opposition, what Lord Simon said, what brilliant parliamentarians have said. They said it really is

the keystone of our democratic system, more than any other part of Parliament, and I believe that.

I am not speaking of my person. There are others who could perform this function more ably than I. But for the institution and for the position, I unhesitatingly get up and make this appeal.

Mr. Lawrence: Mr. Chairman, would the hon. leader of the Opposition (Mr. Wintermeyer) permit a question?

As the one who led the thing off and started it off because I was irked at the words of the hon. member for Wentworth (Mr. R. C. Edwards), I gather from what the hon. leader of the Opposition now says, that he completely repudiates those innuendoes the other night from the hon. member for Wentworth.

Hon. Mr. Yaremko: I see that the hon. leader of the Opposition nods his head affirmatively.

Mr. White: Mr. Chairman, I would like to say a word or two on this subject. Several years ago when I came here for the first time I must confess I was disappointed, and even shocked, at the lack of facilities provided for a private member, sir. Hon. members may recall I complained very strongly at that time.

The facilities are less than adequate now, but in all fairness I think we should recognize a number of improvements have taken place. The indemnity has been increased, the expense allowance has been increased, the dining-room has been improved, so that at least we can take a person in for a sandwich without being totally ashamed.

The committee rooms have been greatly improved and we are advised and assured by the government through the hon. Minister of Public Works (Mr. Connell) that we will be given adequate office space in the education wing when a new building is built across the street. Those plans are more than tentative, of course, because the property across the street has been acquired and the old buildings standing on that property are being removed. When the new building is built space will be available here and I am confident that the private members will be given the office facilities and the secretarial help that they require.

There is certainly justice in the complaints that were made here today, but in fairness to the government we have to recognize these five very important improvements that have taken place in the last two or three years. It

seems to me that the complaints which have been registered should be moderated because of those improvements.

Hon. Mr. Grossman: Mr. Chairman, I am a little astounded at the methods employed by the Opposition here.

Mr. G. Bukator (Niagara Falls): What kind of office does the hon. Minister without Portfolio work in?

Hon. Mr. Grossman: A pretty good office. Does the hon. member object to that?

Mr. Bukator: To the hon. Minister, yes, I certainly do.

Hon. Mr. Grossman: Does the hon. member object to me having an office?

Mr. Bukator: I just say, what kind has he got?

Hon. Mr. Grossman: Mr. Chairman, this is just the point I am trying to make. First the hon. member for Wentworth (Mr. R. C. Edwards) gets up and he makes some rather underhanded charges, and as a matter of fact pointedly asks the press to pay attention to what he is saying and he hopes they publish his comments. He goes along on the same thing he started last week when he made some comment about the Ministers without Portfolio doing nothing and getting \$2,500 a year. I meant to comment on the kind of work Ministers without Portfolio do, but the hon. Provincial Secretary (Mr. Yaremko) has done a very good job of explaining that. I hope the hon. member for Wentworth feels somewhat ashamed of himself for the comments he made about that.

But we go along in the debate and of course there is some umbrage taken at the attack made on the Ministers without Portfolio, and it creates some heat in the debate. Then the hon. leader of the Opposition (Mr. Wintermeyer) gets up trying to throw some cold water on this heat. He suggested perhaps we should be discussing this in a calmer light, something should be done for all the hon. members; and some other hon. member made some comments—I think it was the hon. member for Woodbine (Mr. Bryden)—that hon. members here are treated “lower than clerks,” as if they were “lower than clerks.” I suggest the reason why members of Parliament generally are not treated and do not treat themselves as well as they should is because they are afraid to, because of the method by which political charges are hurled about recklessly and the impression this leaves with the general public.

The hon. member for Wentworth should remember that when he makes charges like this: “that Ministers do nothing and they get paid too much,” that there are thousands who feel the same way about members of Parliament generally. They have an impression that members of Parliament do nothing but draw their breath and their pay, and it is because of these wild charges that the public gets this impression. The average person in this province, in this country, does not realize the amount of public service, the amount of time put into public service by members of Parliament.

Mr. Chairman, the hon. member for Bruce (Mr. Whicher), in his speech on the budget the other day, also made some comment about Ministers without Portfolio. Now, I presume the hon. member for Wentworth does not suggest that a Minister with a department should not be entitled to a car. I presume he does not mean that. Does he believe that?

Mr. R. C. Edwards: Mr. Chairman, if you would allow me the floor next I would be pleased to answer that.

Hon. Mr. Grossman: Would the hon. member answer the question?

Mr. R. C. Edwards: I think it is not a matter, Mr. Chairman, of answering out of context.

Hon. Mr. Grossman: Answer yes or no—does he believe the Minister in charge of a department is entitled to a car? Does he believe that? This is the sort of question, Mr. Chairman, when it is directed at a Minister and the Minister answers in that fashion he is accused of evasion. I asked a direct question which could have been answered yes or no.

Mr. R. C. Edwards: I think there are too many cars and chauffeurs available in this province. Does that answer the hon. Minister's question?

Hon. Mr. Grossman: Mr. Chairman, it is an evasive answer.

Mr. R. C. Edwards: It is the same way a Minister answers, that is what the hon. Minister suggested.

Hon. Mr. Grossman: I would be prepared at any time, Mr. Chairman, as far as I am concerned, to justify to the public my use of a car. In case there is some doubt about it—and that is the reason really I got up—in case there is any doubt about it, the

Ministers without Portfolio, unless they are in charge of a department, do not have a car and chauffeur assigned to them. The hon. member may have given this impression to the public and I want to make sure they do not have this impression. They do not have a car and chauffeur assigned to them.

If the hon. member is going to insist that a Minister with a department, a Cabinet Minister in this great province—he keeps telling us what a large province it is, and a great budget and so on—if the hon. member does not think that a Minister of the Crown in charge of a department is entitled to a car, then perhaps he ought to talk to the hon. member at his left who, as the reeve of North York, was the first reeve to get himself a car and a chauffeur. I think a Minister of the Crown is at least as busy as he was as a reeve.

Let me add to what the hon. Provincial Secretary has stated. I have been in my insurance office since my appointment as a Minister—in the first year, as a Minister without a department—I was in it about three hours a week. Since I have been put in charge of a department I have been in my office for about 20 minutes to pick up some documents. I do not like to go on and start bringing out a bleeding heart about how much this job is costing me or anything of that nature. All I am suggesting is the hon. member for Wentworth is not doing himself any justice, or this legislative assembly any justice, or any of the hon. members any justice, or the Opposition any justice, he is not doing them justice at all, by hurling these charges around because they put all elected members in a bad light. As far as the public is concerned he is giving them the impression that all of us here are getting paid too much. As a matter of fact, the hon. member for York South could be accused of that too, because he put on a political play a couple of years ago when the indemnities were increased. He did not think we should get this increase in indemnity. He put all sorts of qualifications on it, giving the impression to the public that we were getting paid sufficiently, and therefore the additional indemnity was not earned and was not deserved.

If we want to keep these debates on a high level, let us begin them at a high level and they will remain that way, not start them off with reckless charges, making us all look bad in the eyes of the public and causing the hon. leader or someone else to get up on the opposite side and say, "Now, why can we not discuss this on a logical basis and do

what we know is right? Let us not hurl around any political charges."

Mr. R. C. Edwards: Mr. Chairman, first of all let it not be said, sir, that I am throwing any innuendoes, for I am prepared to make positive statements, I am prepared to repeat them at this time, and I am prepared to be heard anytime or at any place on this issue. I have been talking since this session of the Legislature on the matter of economy. If you want to know what I think and if hon. members opposite want to know what I think, I will tell you. I think in too many cases we have been spending money like a bunch of drunken sailors. I am concerned about it.

In my remarks with respect to the hon. Ministers without Portfolio, I indicated that the taxation went up 20 per cent in this province last year. With respect to the hon. Ministers without Portfolio and I made it clear—and I make it clear again, I do not make any personal charges, I simply believe—that the theory of Parkinson's law is in effect in the present Cabinet, I think it is growing beyond the need of individual Ministers. It is adding to the cost of government at the expense of the taxpayers of this province.

Mr. Chairman, one of the hon. gentlemen opposite suggested that I should be ashamed of myself. Let me make it abundantly clear I am not ashamed of myself; I believe in what I am saying and I am going to go on saying it notwithstanding the attacks which have come from the other side.

An hon. member: What did the hon. member's leader say?

Mr. R. C. Edwards: Well, if my hon. leader is ashamed of me and as the hon. member suggested, if my leader said this, I was not in the House—

Mr. Singer: He said no such thing.

Mr. R. C. Edwards: I am sure he will tell me privately if he said that, but I doubt if he said it.

Mr. Singer: He said no such thing and the hon. member knows it.

Mr. R. C. Edwards: Mr. Chairman, with respect to the remarks that I made—that I hoped this would get in the press—I repeat them, I hope they do, I hope that the remarks of one of the hon. gentlemen opposite get in the press when he suggested that the

NDP members—and these were the words—even have a desk.

I hope that gets in the press. I hope the public knows that some hon. members even have a desk. Because outside of this little—what is it, about two and a half square feet—this is the only desk space that is provided to me. So I hope it does get in the press.

Now with respect to the question which was asked by the hon. Minister from St. Andrew (Mr. Grossman), he suggested that my hon. friend to the left had a car when he was elected chief officer, when he was elected as reeve of North York. How he can apply that to this principle is beyond my comprehension. Nevertheless, Mr. Chairman, I am quite happy to say what I think and if there is anybody who thinks I am casting innuendoes, if they will ask me to clarify my position I shall be delighted to do so.

This is a principle, Mr. Chairman, that is very important. It has been supported already by one backbencher on the government side and that is the principle that the Opposition in any government is just as important as the role of government.

Mr. Chairman, with respect to a little lesson in history which was so kindly given to me by the hon. Prime Minister (Mr. Robarts), let me remind this House that I was not even voting in those days. I am not interested in the history of this province, I am interested in the future of this province and that is what we are here for.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Chairman, there is a principle here and the principle is simply this: we are elected to represent the people, we are entitled to a certain limited amount of facilities. I say that the facilities which are provided are not adequate. It seems to me that those opposite say that the facilities which are provided are adequate, in fact they stated that they have been very generous.

Mr. Chairman, I suggest their generosity does not go far enough. I suggest that the people of the province are suffering because of the inadequacy of these facilities and I suggest that the constant theme which seems to come from the opposite side every time we suggest something progressive, referring back almost two decades ago to the government of that day, is invalid. I think it is hardly, shall I say, in good taste, by the—

Interjection by an hon. member.

Mr. R. C. Edwards: Mr. Chairman, I am not going to be thrown off by the remarks of

the hon. Minister of Mines (Mr. Wardrope) at all. If he wants to go on interrupting, I am prepared to stand here and wait until he is finished, because I believe in that principle and I am not going to let it go until I have had my say.

Mr. Chairman, it has been said by some of the hon. members opposite that they get my point. Now if they have my point, I will stop talking, but I intend to bring the matter up again next year and the year after that and as long as I am here until such time as the situation is corrected.

Mr. Singer: I want to say a word or two on this, Mr. Chairman. I had no intention of getting into this debate at all until the hon. Minister without Portfolio (Mr. Grossman), who has appointed himself as my personal historian and critic, could not resist a few remarks directed at me. Now I would like to say this to the hon. Minister, I would invite him to come up into my riding with his car, take the Conservative nomination and let us have a go at the next election. Let us have some voters decide this personal vendetta.

Hon. Mr. Grossman: I wanted to know if a reeve can have a car, why a Cabinet Minister cannot. Is there anything wrong with that question?

Mr. Singer: Mr. Chairman, I share with my hon. colleague from Wentworth (Mr. Edwards) and with my hon. leader, the criticisms that they have put voice to this morning.

Mr. Chairman, I do not think it is any secret that we on this side of the House believe that in the 22 Cabinet Ministers the government has and the seven or eight others whom they have on the boards of the ONR, the water resources commission, the hospital commission, and on and on, that they have some 30 or roughly a half of their hon. members paid substantially more than all of the hon. members of the Opposition. I do not think it is any secret that this government, when they put about 30 of their members into these categories, stand in very poor comparison with, say, the Cabinet of the United Kingdom, some six of whom ran the war effort in the United Kingdom; the Cabinet of the President of the United States, some 10 of whom seem to be able to run that country. The point we are making is that the government does not need 30 people at extra pay to run the province, to run it efficiently. This is a valid criticism and a good criticism.

This business of cars is something that the hon. Minister without Portfolio (Mr. Grossman) thought was a great issue. It had not been raised within my hearing on this side of the House, but he brought it up so let us deal with that for a minute. It is rather interesting to note, and the hon. Minister of Agriculture (Mr. Stewart) said—his tone certainly implied—is it not amazing that a reeve should have a car and a chauffeur. Now, let me say this, the township of North York is the second largest municipality in Ontario. It has a greater assessment than any other municipality except the city of Toronto. The reeve of that municipality who serves without a board of control—and when the estimates of the hon. Minister of Municipal Affairs (Mr. Cass) come up we will have something to say about boards of control and so on—and who is the sole administrative officer, is the only representative on the Metropolitan council.

The job of the reeve of the township of North York—and my friends from Scarborough and Etobicoke will agree with me on a similar style for the job of a reeve of the township of Etobicoke and Scarborough—is one without parallel within municipal government in this province of Ontario. The voters of the township of North York accepted this decision that I made and accepted the same decision in my successor.

Now, if there was any criticism to be made about the reeve of the township of North York having a car, that surely should lie with the voters and the municipal council of the township of North York. The only reason I deal with this at all, Mr. Chairman, is to show that it is typical of what emanates from the government benches on every occasion of this sort. It is a smoke screen and a series of red herrings to try to becloud the issue. They will not face up to it, they will not acknowledge that they are doing wrong, and they will not respect a member from this side.

Hon. Mr. Grossman: Mr. Chairman, I rise on a question of privilege. I just want to get it clear for the record that I made no charge that the reeve of the township of North York was not entitled to a car. I pointed out that the reeve had a car and certainly a Cabinet Minister does just as much work as a reeve.

Hon. Mr. Robarts moves that the committee rise and report certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, on Monday we will sit at 2:00 o'clock and have a night session. There will be no night session Tuesday night. We will go on with the estimates of The Department of Mines on Monday at 2:00 o'clock.

In moving the adjournment of the House I move that we—

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, would the hon. Prime Minister (Mr. Robarts) give us a tentative schedule for next week so we will have an idea of what estimates are likely to be called?

Hon. Mr. Robarts: This is the problem I mentioned a week ago of attempting to give any firm forecast. I never know when we are going to have a debate such as we had this morning, if it may be termed a debate, and therefore my timetable may not be exactly as planned. In any event I will attempt to get on next week with the hon. Minister of Mines (Mr. Wardrope) and with the hon. Minister of Energy Resources and Economics and Development (Mr. Macaulay). In addition to that we have the Budget debate and, of course, there are all the matters on the order paper, any one of which I may call.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 1.05 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, March 12, 1962
Afternoon Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 12, 1962

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: Again we are very glad to have visitors to the Legislature, and today we welcome as our guests students from the following schools: in the east gallery Queen Mary Public School, Peterborough and in the west gallery Oak Park Junior High School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE ONTARIO ENERGY BOARD ACT

Hon. R. W. Macaulay (Minister of Energy Resources) moves first reading of bill intituled, An Act to amend The Ontario Energy Board Act.

Motion agreed to; first reading of the bill.

Hon. R. W. Macaulay (Minister of Energy Resources): This is a bill which amends The Ontario Energy Board Act to clarify the rate-fixing provisions.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I have a question which I would like to ask the hon. Minister of Energy Resources (Mr. Macaulay) which may be related to what he has just introduced.

My question is: is the energy board going to delay decision on the rate base application of Union Gas until the Langford commission has reported whether cushion gas in storage areas is a legitimate factor in rate base calculation?

Hon. Mr. Macaulay: Mr. Speaker, I inquired this morning from the department as to when the Langford committee's report

would be available and it was thought that it would be available in several weeks. I understand from the energy board that it is unlikely that the decision of the energy board would be given much before June and therefore the Langford committee report will no doubt be available before that time.

Mr. MacDonald: May I ask the hon. Minister a supplementary question, Mr. Speaker? Are we to have the Langford report before this session concludes?

Hon. Mr. Macaulay: I hope that is so.

Mr. Speaker, before the orders of the day, I would like to announce to the House that I have asked the hon. Provincial Secretary (Mr. Yaremko) to request The Department of External Affairs at Ottawa to take the necessary steps to withdraw the application of Ontario Hydro to the international joint commission relating to the diversion of additional waters at Niagara Falls.

I spoke on this matter—I think it was in the fall, perhaps in the winter session—explaining the application which was then before the international joint commission pointing out that it fell into three parts. One of these parts dealt with the application to study whether more water could be withdrawn for the purposes of creating hydro electricity at Niagara without destroying the beauty of Niagara Falls. In the meantime—and I pointed this out at that time in the House—the policy of the government was that no further water should be withdrawn if there was any possibility of affecting the beauty of the Falls by so doing.

Since then, the Lewiston plant of the New York Power Authority is now coming into operation and is withdrawing more of its share of the waters. The construction is going ahead with the control dams in the upper regions of the Niagara River. Until experience has been gathered from these two separate construction undertakings, it is advisable not to go ahead with this study in relation to withdrawing any more water from the Niagara River at Niagara Falls.

Therefore, I have asked the hon. Provincial

Secretary, as I said, to make application to the department in Ottawa to withdraw this part of the application before the international joint commission. I am quite confident that the hon. member for Niagara Falls (Mr. Bukator) would like to make some comment on this, because he has been most interested in it.

Mr. G. Bukator (Niagara Falls): Mr. Speaker, I would like to comment on the decision of the energy board in not withdrawing any more water from the Niagara River.

I have had many organizations—the council of Niagara Falls, Stamford Township, and everybody, as a matter of fact, in the Niagara Falls riding—I have had many letters sent to me pertaining to this very matter and I am going to commend the hon. Minister of Energy Resources (Mr. Macaulay) for taking this stand. I appreciate the fact that he was good enough to let me know about this decision before he presented it to the House this afternoon.

I feel I would be remiss in my duties to the people in my riding if I did not thank him for making this decision. I know a lot of work was done on it, Mr. Speaker, and I know that it required a lot of heart-searching, I would say, to make this decision. I find they have done right by us and we appreciate it.

I was wondering, by way of a question, if the hon. Minister has felt there is a possibility—and I know that he cannot answer this immediately—of building a dam down in the narrow part of the Niagara River? There is a drop-down of about 18 or 20 feet of water below the Falls. Quite a reservoir of water could be built behind that and could possibly supply the power being sought immediately from the Falls, without destroying the natural beauty in any way.

This is a point worth considering. I do not do this very often, as hon. members know, I am not that type; but in this instance I think the government is worthy of recognition for the decision it has made.

Mr. Speaker: Since the Speaker was asked a question last week, I would like to say at this time that the bust of the late Agnes Macphail has been located and when a pedestal is obtained, it will be placed in a suitable position in the Parliament buildings.

Orders of the day.

House in committee of supply; Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF MINES

On vote 1201:

Hon. G. C. Wardrope (Minister of Mines): Mr. Chairman, this is the first time that it has been my privilege to present to this House the estimates of The Department of Mines. This has become my duty as the result of the death, last autumn, of my friend and colleague, James Maloney, who for three years had occupied the post of Minister of Mines with dignity and distinction. Mr. Maloney's passing is a personal sorrow to me and, I know, a great loss to the Ontario Legislature.

Since my appointment, Mr. Chairman, to The Department of Mines, I have had very good reason to be thankful that I inherited a staff so well-trained in their duties, and so helpful in passing on their knowledge, that my initiation to my duties has been made much easier than it otherwise might have been.

During 1960 the production of minerals in Ontario reached an all-time high. The total value was only slightly under \$1 billion. Although there was a drop of about \$35 million in the total for 1961, it was still the second best year in history, and the reduction is more than accounted for by the loss in uranium markets. The *Review of Activities in 1961*, which I tabled here last week, contains a great deal of information which I commend to the attention of hon. members.

I must confess to a feeling of concern, common to all residents of northern Ontario, a concern that there seems so little appreciation, due to the lack of information, in this southern part of the province, of the vast importance to the whole economy of that relatively sparsely-populated 90 per cent of the land area of Ontario that lies north of North Bay.

Some 18 per cent of Ontario's total production comes from the primary industries—agriculture, mining, forestry, fisheries and trapping. Now in 1959—the latest year for which I have the figures—agriculture was credited with 6.5 per cent of the total provincial product, closely followed by mining with 6.4 per cent, forestry, 1.2, and fishing and trapping 0.2 per cent.

I think, Mr. Chairman, that these comparisons are very revealing. Agriculture and mining are far ahead of the others, with only one-tenth of one per cent dividing them. Even that small gap is seen to be closing if we go back one year, to 1958, when the two

industries represented, respectively, 7.7 and 5.5 per cent of the total.

With the growing urbanization which Canada and Ontario are experiencing, every year more of southern Ontario's lush agricultural land is being lost to industrial use and what we could term suburban sprawl. That is a matter of simple observation that would come as a shock to any former resident of these parts who returned after an absence of a few years. A drive through the Niagara peninsula, for instance, or north, east or west of Toronto would offer all the evidence needed that our farm lands are shrinking at an alarming rate.

I feel that I must carry these comparisons still further in support of my assessment of mining as the most vitally important of all our primary industries, an industry that deserves, and must have, the support, understanding and co-operation of this Legislature if it is to continue to thrive and have the enormously important part in our economy that it is equipped and ready to have.

So, Mr. Chairman, with your indulgence, I would like to draw the attention of the hon. members to some statistics concerning our exports. Ours is a trading nation—the fifth biggest trader in the world—and it is scarcely an exaggeration to say that our national life or death depends upon the success with which we maintain our present markets and develop new ones.

In 1960, Canada's exports of minerals totalled \$2,167 million. Exports of wood products and paper were valued at \$1,592 million, and agricultural exports totalled \$831.5 million. Thus, Mr. Chairman, it will be seen that, on the national scale, our mineral exports are far ahead of the other primary products. Unfortunately, I do not have this breakdown of exports by provinces, but since Ontario's mineral production is more than 37 per cent of the total for all of Canada, it is certainly safe to say that mineral products would not suffer in any comparison of the relative importance of exports on the provincial scale.

Mr. Chairman, if we go back to 1958—the latest year for which comparative figures are available—we learn that Ontario's primary forest production—carrying it to the point at which the timber is sold in the form of logs—in that year was \$110,138,000. In the same year our mineral production was \$801,280,000.

Mr. Chairman, I hope I need not tell this House that I make these comparisons not with any idea of down-grading our other

resources industries, which, of course, are so important to our economy and essential to our way of life, but only to put things in their proper perspective, and to emphasize the fact that mining is far and away the most important primary industry in this country today—in point of dollars.

I would like to see us put first things first and frankly, I do not think that in this province that has always been done and is not, in all respects, being done yet.

In support of this contention, I will refer to the report tabled here a few days ago by the hon. Minister of Lands and Forests (Mr. Spooner), and compiled by the Public Lands Investigation Committee, established in 1959. This committee, under the chairmanship of Mr. J. F. McFarland, Ontario's mining commissioner, was made up of Mr. H. C. Rickaby, then Deputy Minister of Mines, and Dr. M. E. Hurst, the director of the geological branch, as representatives of this department, with Major-General Howard Kennedy, a consultant to The Department of Lands and Forests, as vice-chairman. The other lands and forests representatives on the committee were Mr. F. W. Beatty, the Surveyor-General of Ontario, and Mr. J. S. Yoerger, an assistant Deputy Minister. Members appointed to the committee from outside the government were Mr. John Beattie, the Executive Director of the Ontario Mining Association and Mr. J. J. Rankin representing the Prospectors and Developers Association—and to these two great associations I pay tribute because they are of such great assistance to this department.

It is readily apparent, Mr. Chairman, that this was a committee of real experts in their various fields. They arrived at the recommendations incorporated in their report only after exhaustive investigations, hearings held at several points throughout the province, and the study of a great mass of briefs and documents submitted by interested individuals and organizations.

Let us look briefly at the committee's findings, Mr. Chairman. The report points out that, of the 412,582 square miles of land and water that make up the area of Ontario, only 2,360 square miles of mining land are shown on the tax roll as having been alienated from the Crown, or about one-half of one per cent of the area of Ontario. More than double this area, 5,238 square miles, has been set aside as park land.

An interesting projection of present trends shows that if the present rate of alienation for mining purposes and the cancellation of mining claims continue at the present rate,

it will be 102 years before the area of alienated mining claims equals the present total area of provincial parks.

That is all very well. Certainly this province needs and benefits from our great wilderness areas and unspoiled recreational lands, but, at the same time, let us take a look at the comparative values and the revenues this province realizes.

Figures compiled by the Dominion Bureau of Statistics and The Ontario Department of Mines' statistician, as they appear in the *Canada Year Book* for 1957-1958, and the *Economic Survey of Ontario*, in 1956, show that the gross revenue per acre from mining land was \$357.49, for a net revenue of \$165.43. That compares with \$53.08 and \$30.53 for agriculture, and \$2.91 and \$1.83 for forestry in the same period.

Surely it is self-evident, on the strength of these figures, that the mineral industry is deserving of all the support that the government can give it—support not for the mining interests so much as for our whole economy, which depends on it for so much of its strength.

Again, Mr. Chairman, let me emphasize that I have no quarrel with those who would like to take full advantage of our natural resources other than the minerals in the ground. I realize perfectly well how essential are our forest industries, and how large a part pulp and paper exports play in our financial well-being, as is evidenced in my own area. I realize that our great natural parks provide many tourist dollars, and pay real dividends in the health and well-being of our own people who find rest and relaxation in them.

But, Mr. Chairman, what I do contend—and it is a contention with which the land use committee agrees—is that there can be multiple use of a great deal of this land.

I quote from the report:

Mining operations seldom use all of the surface of the mining lands owned and leased. If all phases of the economy are to be developed, and inasmuch as the only sound economy is a diversified one, then provision should be made for multiple land use. In other words, no single natural resource should be permitted to exclude or prohibit the development of another. Mining differs from all other industries inasmuch as the miner must look for wealth which is often buried beneath the surface of the land; furthermore, mining can only be carried out where ore bodies occur.

That is the end of the quotation.

Taking that at its face value, the committee felt that any mining enterprise should hold surface rights only to the extent that these are necessary for successful conduct of the operation; but, on the other hand, it surely means, too, that where valuable mineral is known to exist, there should not be an automatic exclusion from whole areas as, under present conditions, there is in some of our provincial parks. Provided that all proper safeguards are exercised to protect the surrounding territory, I can see no reason that mining and forestry, or mining and recreation, cannot exist side by side.

Again I quote from the report:

The committee believes that the multiple use principle and the wise and proper use of the natural resources go hand in hand, and recommends that the concept of multiple land use be applied in provincial parks.

Mr. Chairman, I referred in my opening remarks to the annual production value of nearly \$1 billion recorded by Ontario's mining industry. I should now like to add that in 1961 it required 86 separate mining operations—some among the world's biggest, others not so large—122 quarries and 731 clay, sand and gravel pits to make up this tremendous total.

Altogether, and this is very important, Mr. Chairman, to my way of thinking, the industry gave direct employment to more than 52,000 people. These 52,000 people with their families and dependants would, if brought together, settle a city bigger than Hamilton, and so certainly their status should be considered important in anything that affects our national or provincial well-being.

A great many people, residents of this province, if asked about the products of our mineral industry would very quickly show that they have little or no conception of its diversity. They might name gold, silver, nickel, copper, iron and uranium as the mineral products and bog down there. Actually, there are very close to half-a-hundred products of our mines, oil and gas wells, quarries and pits, all adding their share to the grand total.

I was up in Goderich the other day, Mr. Chairman, and went through the Sifto salt plant. What a tremendous operation that is. I had never even known that salt was taken out in quantities such as 450 tons a day, employing some 200 men. The salt was coming out from underground, on belts travelling very quickly, and most of it was going over to the United States to be placed on the roads. I always thought of salt as on the

breakfast table. But there certainly is a great diversification in this mineral industry.

Perhaps it would be wise for me, in referring to the great value of our mineral production, to point out that this is not by any means all profit. It is a fact that in some years there is no great gap between operating costs and production total.

In 1961, when it happened that the spread was greater than for most years, with production slightly under \$1 billion, the industry returned to the economy some \$730 million in the form of capital plant expenditure, payroll, electricity and fuel, equipment and supplies, Workmen's Compensation payments, federal, provincial and municipal taxes, and all other operating costs. From the remaining 25 per cent must be found the funds for research, plant expansion and dividend payments.

Insofar as this government is concerned, I would point out that The Department of Mines—unlike several other departments that render equally essential services to the people of the province—is a revenue-producing branch of the government. That is to say, each year the revenue accruing to the Treasury from the various operations supervised by The Department of Mines exceeds the operating expenses of the department by a very wide margin. In the last fiscal year, for example, the total paid into the consolidated fund through royalty or production taxes, the issuance of miners' licences, leases, and from other sources amounted to \$18.32 million, while the total of ordinary expenses for operating the department was only \$1.58 million. That is a ratio of about twelve to one—certainly, I think you will agree, Mr. Chairman, a good return on the investment.

With that in mind, and in consideration of the very great importance of the mining industry which my department serves, and for which I have the honour to speak in this House, I have no hesitation, whatever, in asking the hon. members to approve the expenditure necessary to enable us to carry on our programme for the forthcoming year.

We are going to need somewhat more than is usually necessary for the next fiscal year, and, as the hon. members will see, the total of ordinary and capital expenditures, including \$13,000 statutory expenses, amounts to \$3,105,000. I have no hesitation in asking for this increased sum and, indeed, I am proud that we will be in a position to render the additional services that will make it necessary. I intend to explain this more fully as I deal with the individual votes.

The main office of the department is the centre of the administrative services. It handles all operations that are not otherwise allocated to specific branches, including accounts and mine assessment, publicity and certain special committees. The total estimate for main office expenditures, as shown in vote 1201, is \$371,000, plus \$12,000 statutory. This, it will be noted, is \$173,000 less than the main office allocation for the present year. This is accounted for by the transfer of the publications offices, including the cartography section, to the geological branch.

Included in the main office vote are the costs of operating the office of the mining commissioner. The commissioner, Mr. Chairman, fulfils a unique position in the government. He adjudicates disputes between mining interests with a minimum of formality and expense. During this calendar year the commissioner has held hearings in Toronto, and at several other points throughout the province, and has issued some 1,300 orders and judgments.

The geological staff of the department is made up of highly trained specialists in the geological sciences, men dedicated to this great work of mining, who are concerned mainly with mapping the geology of the province, and in providing prospectors and the mining industry generally with maps and reports as an aid in the search for, and development of, its mineral resources. In addition to the Toronto-based staff, resident geologists are maintained in the principal mining areas of the province. Their chief function is to acquire and make available the same sort of information on a more localized scale.

While a great deal of valuable work has been done in past years by the department's geologists, Ontario's land area which is amenable to mineralization, is so vast that most of it has never yet been mapped geologically, and to do so at the present rate would require more than 130 years.

With that in mind, two geologists were added to the staff last year, and we plan to acquire the services of five more in the coming fiscal year. I might add that these gentlemen are very hard to get because they are highly skilled men with specialized knowledge.

In addition to this, an agreement entered into with the federal government is doing a great deal to speed dissemination of knowledge about our mineral potential. In accordance with this agreement, a whole programme of airborne geophysical surveys is to be carried out until, in the course of the next

few years, the entire province will be flown. Ground reconnaissance surveys will subsequently be made of the more interesting areas picked out in the survey.

So far, the first two phases of the over-all flying programme have been completed. In 1959 the first phase, covering a monumental 60,000 square miles in the extreme north-western part of the province, was flown. This was the biggest such project ever conducted anywhere in the world. Last year, another 35,000 square miles were flown to cover the area stretching eastward from the Manitoba boundary to a point some miles west of the lakehead, and north from the United States boundary to the parallel of latitude 53° 30'. The resulting maps have already been issued.

During the coming fiscal year we intend to complete the third phase of the programme to cover another 35,000 square miles, mainly north from Lake Superior. If hon. members will consult a map—and these maps are available for anybody—they will see that this comprises a very great part of the entire province.

It is obvious that until the information which is obtained, either by these surveys or by the more conventional ground methods, is made available to the public, it is of little practical value. Therefore, a concentrated effort is being made to have the maps and reports containing the information compiled and printed with the minimum loss of time. This, in turn, calls for additional personnel for our cartography section which is made up of highly skilled specialists in the art of map drawing.

It is in order to ensure the maximum co-ordination of effort among geologists, editorial staff and cartographers, that all publications personnel have been transferred from the main office establishment to the geological branch.

Our estimate of total expenditures for the geological branch in the coming year is \$843,000, as set forth in vote 1202.

We now come to vote 1203 which calls for a total expenditure of \$268,000 for the maintenance and operation of the mines inspection branch. This branch, whose engineers are graduates in specialized fields, with a successful record of service in private industry prior to their entry into the service of The Department of Mines, is responsible for safety regulations and other factors connected with the operation of mines.

Here I would like to state that the safety record that was established in Ontario's mining operations last year was one in which

we can take pride. There were, throughout the year, 2,852 accidents reported, including 25 fatalities. This represents a fatality rate of 0.23 per million man-hours worked, a decrease of 40 per cent from the previous year. The rate of non-fatal accidents was 26 per million man-hours, a decrease of 13 per cent from the 1960 total. Now, Mr. Chairman, we all know and feel that while any industrial accident is to be deplored, and the department and the industry cannot rest upon their laurels, the improvement is certainly cause for gratification.

I might just mention the uncertainty in this, Mr. Chairman. I was up in the Hollinger Mine three weeks ago, down in the 4,500-foot level, and this morning or last night a miner was killed in the very spot that we were in, from some loose rock falling. Those are things which one cannot foresee; it is the uncertainty of the industry; but it is to be deplored and we assure you, sir, we are doing everything we can to prevent those deplorable conditions happening.

In addition to the staff in Toronto, engineers are located at seven other points throughout the province in centres convenient to the mining areas.

Included in the inspection branch estimates is \$1,000, set by statute for the purpose of maintaining an account to defray the cost of mine rescue stations. Eventually, of course, all monies expended for this purpose are refunded by the mining industry.

The cable testing laboratory, operated by the inspection branch, provides an important and highly specialized service to the mining industry. The Mining Act requires that lengths of all cables used in mine hoisting be subjected, semi-annually, to tests in this laboratory, to ensure that their strength is such as to provide a sufficient margin of safety for the loads they are called upon to bear. The estimated cost of operating the cable testing laboratory for the coming year is shown under vote 1204 as \$55,000.

As a fee is charged for each test, this cost is normally recovered directly from the industry. The Department of Mines is collaborating with the Ontario Mining Association in a long-term research project having to do with the non-destructive testing of wire ropes. Again, I wish to compliment them, and thank the Ontario Mining Association for the great help they have given us during the past year and their assurance of continuance of that help during this year.

The department's half of the cost is defrayed under the same vote for the cable testing laboratory.

Also covered under vote 1204 is the operation of the provincial assay office. The total cost of this important phase of our operations will be \$88,000 during the forthcoming fiscal year. The assay office provides a vital service to prospectors and exploration and mining companies in giving a scrupulously accurate assay of the mineral content of rock and mineral specimens submitted for analysis. Although fees may be charged for this work, according to a fixed schedule of charges, by far the major part of it is done free of charge on the basis of coupons issued upon the recording of claims and the performance of assessment work. The details of this coupon system are set out in The Ontario Mining Act.

The third part of the department's operations covered under vote 1204, for the laboratories branch, is the operation of the Timiskaming Testing Laboratories at Cobalt. During the last four decades the TTL has provided an important service to the cobalt and silver mines of that historic old mining camp. In the laboratories, the ores are sampled and their mineral values are determined. After sampling and assaying, the ore or concentrate is shipped by the laboratories to smelters on behalf of the producer. We estimate that operating costs during the coming year will total \$85,000, the same amount as was budgeted for the present year. The greater part of this sum will be returned to the Treasury in the form of fees for services paid by the mining companies.

The Damage by Fumes Arbitration Act provides that an arbitrator be empowered to investigate all claims of damage due to fumes emanated by smelters and similar operations in the province. The arbitrator inspects and appraises the damage and, if possible, arranges to settle the matter without a formal hearing. Nearly all claims are settled in this manner, but he does have the power to arbitrate and assess damages. In the event that his finding is disputed by either party, the matter can be appealed to the Ontario Municipal Board.

This year the people of Ontario and The Department of Mines lost the services of a very great gentleman, its arbitrator, Mr. R. H. Murray, who retired in June after 37 years of faithful public service. Mr. Bruce R. Dreisinger has succeeded Mr. Murray as sulphur fumes arbitrator. Like Mr. Murray, he will maintain his headquarters in that great city of Sudbury.

The cost of operating this office, covered under vote 1205, is \$30,000, just as in the present year.

The final item of ordinary expenditure is

\$353,000 for the mining lands branch, covered in vote 1206. This branch, numerically the largest in the department, administers The Mining Act insofar as it pertains to the disposition of Crown lands for mining purposes. The province is divided into 14 mining divisions for the purpose of handling the work related to the staking and recording of mining claims. Twelve mining recorders and their staffs are enabled to handle this work because the work of two divisions is handled from each of two of the division offices.

Mining claims inspectors are located at six points throughout the province. Their principal function is to assist the recorders and carry out inspections of mining claims as required. The mining lands branch is responsible for the collection of a large part of the revenue paid into the consolidated revenue fund by the department.

Mr. Chairman, I have covered all the ordinary expenditures which are foreseen by my department for the next fiscal year. There remains one item of capital expenditure to be dealt with.

Since the institution in 1951 of the mining and access roads programme, well over 500 miles of new roads, in 61 separate projects, have been built to open up large and potentially rich areas of our northland. No one who is conversant with the vast potential of this part of the province, and the crying need for easier and better communications, can question the great worth of the programme. In the decade that the programme has been in operation, the returns have been out of all proportion to the cost, not only in the form of enhanced mining activity, but also in the development of our forest resources, tourist and recreation facilities, and improved living conditions for the people residing in isolated areas.

The advantages have been still more widely spread since the institution in 1959 of the federal-provincial roads to resources programme through which the Canadian and Ontario governments share the cost of agreed projects designed to provide access to and development of whole regions in hitherto inaccessible parts of the province.

So far under this programme, five major projects have been undertaken. Two have been completed and the other three are well advanced toward completion. Altogether more than 300 miles is involved in the projects so far approved.

To carry on this important work in the coming year, Mr. Chairman, I am asking this House for a total of \$1 million. Three-quarters of this—\$750,000—will be matched

by the Canadian government as its share of the roads to resources programme. The other \$250,000 is earmarked for construction under our own government's mining and access roads programme.

And now, Mr. Chairman, I will be very glad to get my staff if the House wishes to carry on with the estimates as laid out.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, it being Monday and, in a sense, turning over a new leaf and starting a fresh week, there is no better way—if one wants to start off in a spirit of humanitarianism—than to follow the hon. Minister of Mines (Mr. Wardrope) because, affable, pleasant and courteous fellow that he is, it is very difficult not only to get angry at him, but to become critical of him. And I observe, sir—if my opinion is shared by most of the hon. members of the House, as I am sure it is—I observe that we are not the only ones to think that about him. I was just recently noting in an editorial in the *Northern Miner*, which of course, is the voice of the mining industry, that as recently as January of this year they had this to say about the hon. Minister of Mines:

In his first appearance before a mining audience in his new capacity as Ontario's Minister of Mines, the hon. George C. Wardrope demonstrated that either he is a keen student of Dale Carnegie or else he has an innate ability to win friends and influence people. We incline toward the latter since his obvious sincerity is one of his most endearing qualities.

Now I do not know whether the hon. Minister of Mines has any relatives in high places in the *Northern Miner*, and I do not know whether he would consider it defamatory to be called a student of Dale Carnegie, but I submit that it sums up adequately the feelings of most of us—in fact, all of us—have about him.

Having said that, I would beg leave to say by way of generality that the chief complaints the Opposition could make about The Department of Mines is the fact that the department is so insignificant in the hierarchy of government. Without going through all the estimates, I venture to say that there is no department that has less money voted to it than the little over \$3 million that this House is asked to vote for a department which produces a billion dollars of revenue, of real income, for the province, and in the words of the hon. Minister himself, "provides employment to 52,000 people directly engaged," and therefore sustenance

and maintenance for all of those dependent upon those 52,000.

The hon. Minister sums it up—as his predecessor did in the debate last year—by saying that this figure would people a city about the size of Hamilton. Although I note—and I would never go so far as to say that the hon. Minister was not the architect of the words he used—but I noted that his predecessor in the office last year at page 575 of *Hansard*, said that the number of people directly involved in mining was 60,000. That figure has fallen 8,000, I take it, in the intervening year. However, we will not stop to argue about that.

I do say, sir, and I beg leave to repeat to you, that in the organization of government and in the creation of the hierarchy, I daresay The Department of Mines is viewed as something in the way of a poor relative. For proof of that fact one need go no farther than to make a comparison of the amount of money sought last year by this department and the amount of money that is sought this year. One will see that, in contradistinction and in direct opposition to all other departments of the government, where in each single case, I believe—subject to correction by someone who has made a closer study of it than I—in each case in the other departments they are asking for more money, and the amount of money either varies from a relatively small amount or, to listen to the hints of the hon. Minister of Education (Mr. Robarts), in the field of education the amount they are going to ask for is going to be quite a dramatic increase over last year, and so in The Department of Municipal Affairs, notwithstanding the general trend in government, and the growth of the empires and the hierarchies, in the other departments, this department is seeking from the House \$331,000 less than it asked for last year.

Apparently, that fits in with the general view of the role of the departments of those hon. members of the front bench who are of the Treasury board and, I daresay, the view of the rest of the hon. members in the first two rows, who comprise the executive council. Now, it might be appropriate, at this time, to pin down that decrease, and the decreases generally, to be sought or to be allowed to occur in the access and mining roads branch. There is somewhat less of a decrease in the appropriation of monies to the main office of the department.

The hon. Minister said that 90 per cent of the land area of this province is north of North Bay. I had always thought that it was 80 per cent, or four-fifths of the land area of

Ontario was north and west of the French river—but we will not quarrel about that. He could be right, and if it is 90 per cent, then indeed the importance of that area is even more significant than I had previously thought. He numbered the access roads that had been built during the 10-year period since the programme was initiated. I think he said something in the neighbourhood of 500.

Well, in that vast area, sir, comprising the overwhelming percentage of the land area of the province, 500 roads would not make much of an impression. Just conjuring up in my mind's eye the situation in the immediate neighbourhood to the great industrial centre from which I come, I cannot think of any significant building during the past 10 years of mining, or for that matter any other type of access roads.

I have given myself occasion, sir, to complain in the House before, and in the presence of the hon. Minister of Lands and Forests (Mr. Spooner) who unfortunately—oh yes, he is here, he has surrendered his seat, and I am delighted he is here. His department in league, I think, with The Department of Mines, saw fit to build the road from Chapleau to Foleyet to connect up with the road from Timmins to Foleyet which, by sheer coincidence—now mark you, Mr. Chairman, by sheer coincidence, Timmins being the home base of the hon. Minister of Lands and Forests—that road was given a high degree of priority, and linked up Foleyet, as I say, and Chapleau.

We in the largest centre in northern Ontario, the greatest numbers of population concentrated in a relatively small area of the north, we who in moments of exuberance and high spiritedness, beg leave to refer to ourselves as the capital of the north—and we do not get a great deal of criticism or opposition for so referring to Sudbury—we have felt for a long time that one of the greatest priorities was the building of the road from Sudbury to Timmins.

However, at least, the hon. Minister of Lands and Forests has himself never felt in such a companionate frame of mind that I have ever heard him in this House, or for that matter anywhere else, endorse the early building of that road. I believe the first stimulus and request for the building of that road came in the year 1924, the year, incidentally, in which I first saw the light of day. Various groups of people, various organizations, ever since 1924, have made their pleas to the various governments of this province for the opening up of a

highway artery from the one great urban centre to the other great urban centre.

Now, I can safely say the hon. member for Victoria (Mr. Frost), who was here a little earlier, but has now left the House—I can safely say from memory and without the very fastidious way in which the hon. member for York South (Mr. MacDonald) does by referring to newspaper clippings and other documentary evidence—I can remember with little effort, that the hon. member for Victoria, when he had imposed upon him the burden of leading this province, that at least on four occasions, perhaps more, while in Sudbury, he told the good people of Sudbury, he told the representatives of the press, he has told anyone else within earshot, that the building of that road from Sudbury to Timmins would commence very shortly.

I think that one time he even went so far as to stimulate the then Minister of Highways (Mr. Cass) to put little amounts on the estimates for the conducting of a survey as to the route that would be taken. I know this, that every time the request has reached the point of being a bit inflammatory, from the point of crisis, the predecessor of the present hon. Prime Minister would always announce, right at the most effective and strategic moment, that “we have decided to build the road, and a start to the road will be made shortly.” That always got the headlines in the *Sudbury Star*.

It could be the forgetfulness that always attended that announcement had something to do with the loss of confidence that the people of Sudbury have not only demonstrated in the Conservative Party in this House, but have unswervingly demonstrated toward their fellow party members who now have control of the affairs of the nation as a whole at Ottawa.

However, as long as I am a member of this House, I shall, whenever opportunity is given to me, address the government and beg in reasonable and moderate fashion for the early start of construction of that road. I say this to sum it up. Sudbury has far more contacts with southern Ontario than it does with the great hinterland possessed of vast and unknown treasures; it has virtually no contact by way of highway artery with that vast area at all. Balanced entirely on an east-west access, we have Highway 17, which comes through from southeastern Ontario, proceeds west to Sault Ste. Marie, and beyond; we have the Trans-Canada Highway; we have highway connection with Parry Sound in the south. But to the north,

and to the great hinterland, there are no highway arteries at all.

It always seems to me, and to everybody else in the Sudbury basin who thinks about it, that there is an impelling sense of urgency to do something about opening up that area to the north, linking the two major urban centres and inviting the expansion and investment of capital in that area in order to unlock the riches that abound therein.

Now, generally speaking, I plead on behalf of the building of one road. With respect to the building of access roads in northern Ontario, I say the sum of \$1 million is a mere pittance and will go virtually nowhere in the exploration of the great area, or in the stimulating of people to go in there and invest their money. Many of my hon. colleagues, no doubt, will want to address some remarks, and probably of a more specific nature than that.

Mr. Chairman, consideration of access roads leads one to an examination of the whole problem of transportation so far as it relates to the mining industry in northern Ontario. We in the Liberal party—and in particular the hon. leader of the Opposition (Mr. Wintermeyer) in this House—have addressed remarks to the effect that, short of persuading the present government to do it, when given the responsibility of office it will be part of our policy to subsidize transportation, if necessary, in any form, for the opening up of the great area of north and northwestern Ontario.

I mean no offence to the hon. Minister, and I am sure he will take none, when I recall that one night in the House when the hon. predecessor of the present hon. Prime Minister was absent for a space of time and this very matter was being debated—it was at the time or near the time I recall that the then hon. Prime Minister (Mr. Frost) was presenting his brief to the Royal commission on transportation—the hon. leader of the Opposition advocated that in order to stimulate economic development and persuade industry, both primary natural resource industry and secondary industry to locate in northern and northwestern Ontario, he advocated that subsidies, if necessary, be given to the carriers.

Many hon. members will recall that the hon. Minister of Mines (Mr. Wardrope) who at that time, of course, was Minister of Reform Institutions, got up and, in his very charming, ingratiating manner, argued with some vehemence—I recall well, he spoke like a man possessed of an ideal—and he advo-

cated in stentorian tones that such a policy and such a programme was the very thing that northern and northwestern Ontario needed—subsidies to transportation.

Of course, he was right, and I recall that the hon. member for Victoria (Mr. Frost) returned to the House just to hear the tail end of this and I do not think he actually heard any of the eloquence of the hon. Minister of Mines. I do not know whether anyone told him what he had said or not. I hope not, because he was a man known to be quite fierce on occasion about such things. But I remember the then hon. Prime Minister getting up and saying—in fact I do not think I exaggerate in saying, perhaps some of my hon. friends will corroborate me, that he pounded the table, he pounded his desk: “As long as I am responsible for the leadership of the government, there will be no form of subsidy for any form of transportation in this province.”

Hansard will record his words. He said: “As long as I am responsible there will be no subsidy to any form of transportation.”

Mr. D. C. MacDonald (York South): The hon. Minister of Mines (Mr. Wardrope) has taken over now.

Mr. Sopha: As the hon. member for York South (Mr. MacDonald) says, he is gone now. He is gone but he is not forgotten. And there is a new regime, a new direction, a new group in control. The time might be ripe for them to reconsider such a dogmatic and entrenched position as the former leader of the government took with respect to subsidies because, certainly, as the hon. Minister of Mines knows from his very area, the people whom he knows well and personally, who are leaders of industry in that area, have very, very different ideas about the effect upon the stimulation and expansion of the mining industry of the high cost of freight rates in northwestern Ontario.

I see as recently as January 18, 1962, in a newspaper, known no doubt to the hon. Minister of Mines, and called the *Atikokan Progress*—it must be a Liberal paper to have a name like that, it must support the Liberal party—under the heading “Crippling to Iron Ore Movement” and the sub-heading “Raps Freight Rate Boost” there are these statements made and I will read them very briefly.

A 20 per cent increase in iron ore freight rates, imposed last year by the Canadian National Railways, could be crippling to the Steep Rock iron range, E. A. Hebditch, president of the Atikokan Chamber of Commerce, contended Thursday evening, January 11.

Mr. Hebditch, in his inaugural address at the monthly chamber meeting, noted that Atikokan is solely dependent on the iron ore industry in an economic sense "and this problem cannot be taken lightly by the chamber of commerce." He noted that the freight increase had been a factor in a decision by Caland Ore Company Limited to suspend underground operations.

Industry sources said that the 20 per cent increase, instituted last May, had resulted in a jump of 33 cents a ton in the cost of handling ore by the railway. The rate from Atikokan to the ore docks at Port Arthur had been \$1.45 a ton with an additional 19 cents for dockage charges.

Mr. Hebditch said that Steep Rock Iron Mines Limited and Caland Ore are able now to ship from open pit mines, but would be faced with a problem when these reserves, capable of being mined much less expensively than by underground methods, are exhausted and the companies find it necessary to get their production from underground.

"We must be vocal and make our problem known," said Mr. Hebditch. "We cannot allow unfair freight rates to cripple our own economy."

That is the quote directly from him. Then, on another score:

Mr. Hebditch said that a road programme for the area must be pushed with vigour. It was imperative that the Atikokan-Fort Frances highway be finished as soon as possible and "we need more co-operation from the chambers around us."

Well, perhaps we will hear from the hon. member for Rainy River (Mr. Noden), the chairman of the committee on mining, on that score. But in better words than I can use, borrowing the words of Mr. Hebditch, the problem is articulated.

Another gentleman, well known to many hon. members of the House, and known to the hon. Minister of Mines (Mr. Wardrobe), and a gentleman much respected is Mr. Neil Edmonstone, vice-president of Steep Rock Iron Mines Limited. Quoting from the same newspaper from an earlier edition there is this report:

Northwestern Ontario needs freight rates that will "make economic sense to this area" and which "will permit us to thrive and compete while permitting the railways to do the same," said Neil Edmonstone, vice-president of Steep Rock Iron Mines Limited, on Wednesday, March 22.

-1961, I might add.

As the keynote speaker at a dinner tendered by the Northwestern Ontario Development Association and the Northwestern Ontario Associated Chambers of Commerce to Trade Minister Hees and a delegation of other members of Parliament, Mr. Edmonstone said that freight rates constitute this area's biggest problem. He added that power and roads follow close behind.

Well, the thought springs to mind that we on this side of the House have been known to be somewhat vocal in our criticism of the Ontario Northland Railway and for that I do not apologize. I feel that our criticisms have been justified and have been based upon our knowledge of the premises on which that railway serving the northeastern part of the province was founded and built. That railway of course was being pushed through in 1903 when the community which provided me my birthplace was found quite by accident, by one of the men who was working on the railway.

The idea of that railway, in its founding, was to provide a developmental and exploratory road, to the northeastern part of the province. Generally speaking, over the years since its founding, we at least on this side of the House feel that the attitude has been one of how much profit we can make from it. Those responsible for its administration and running it have quite lost sight of the original intention of its founders and have looked at the balance sheet as being the important assessment of what the railroad does for that part of the province, which it is supposed to serve.

Not only have its freight rate structures imposed a burden upon those in agriculture—because all of the supplies used in agriculture, such as imported nitrate fertilizer and the seed grains and imported cattle, shipping their products, all imposed a differential price, both in purchase and sale, over that which their competitors in the southern part of the province are forced to pay—but so it is also in the mining industry with regard to the shipment of ore concentrates, imported machinery and every other item that is necessary to have transported by a carrier.

I would not want to pass over examination or reference to the Ontario Northland Railway without making some mention of the announcements that have been forthcoming from the government about the development of iron ore properties in the Kirkland Lake area and expansion of railroad facilities by the Ontario Northland Railway. We, of course, to the extent that these announcements are realized in concrete form in the

future, on this side of the House applaud and welcome those developments. I must ask this new administration to have a close look at that railroad in order to determine whether it is carrying out its functions from the point of view of being developmental rather than from the point of view of being purely a business venture.

The hon. Minister was speaking about the access roads. I want to say this: He talked about the vast potential of our part of the province. Of course, I might say this without seeming to be either a sneering sceptic or a cynic, that we in northern Ontario have heard that speech many times. We have heard visiting politicians—and they are usually politicians who do not reside in northern Ontario—who come into the north and usually make a speech about the vast potential of the great area. To this date that is just about what it is—the vast potential.

I remember the last time I heard the unequalled oratory and eloquence of the hon. member for Victoria (Mr. Frost) when he visited us in June of last year upon the occasion of a testimonial dinner for the hon. member for Nickel Belt (Mr. Belisle), a man who has served the area well and ably for a number of years. He, the former hon. Prime Minister, was the guest speaker at that banquet. It is one of the few times, I might add for the edification of my hon. colleagues, that I, as one of the Opposition, was recognized to the extent that they even allowed me to approach the head table. They did not just allow me to, they gave me a seat at it. Of course, it cost me five dollars—five dollars for my wife to go and partake in the festivities and the merriment and the enthusiasm attending the testimonium to the hon. member for Nickel Belt, my colleague. Maybe they will give me one.

In any event, the former hon. Prime Minister made the usual speech about the vast potential of the area. We are not so much interested—it is like Sir John A. Macdonald heard at one time about the speeches about the British connection a generation or two ago when the fashion was to make speeches about our British heritage, the common law and Rule, Britannia and that sort of thing. Through the passage of time, of course, opinions moderate to some extent and Sir John A. Macdonald said some time near the end of his life that it was about time they threw all those speeches in the waste basket and thought up a new theme. So it is with the speeches about the “vast potential.”

I do not often take the time of the House, Mr. Chairman, to refer to my own con-

stituency, but where I do articulate some words about its nature I imagine that I could be very glowing in the tribute that I would pay to that great industrial centre. Sudbury is not the hinterland, it is a very civilized and advanced and developed community. It is populated by a young and vigorous population whose average age of population is six years below the national average.

In other words, to live and work in Sudbury you have to be a young man. It attracts young men because only young men can perform the very exacting labours that are required in moiling in the ground for the base metals that we produce. Certainly the community is a leader in at least two other important aspects, one of which is that it produces more metal for sale on the markets of this country and abroad than any other community in the country.

A great proportion—one never is able to find out, but I would venture to say that something approaching a third—of the mineral wealth of the province is produced in the Sudbury basin. The companies that carry on the business of mining there are of course unequalled anywhere in the world for the advanced state of their technology. Not only their technology of mining—and they have in many important respects shown great innovation and great inventiveness in the methods of mining—but also in the realm of safety. To work in a mine in Sudbury it has oftentimes been said that it is not so important how much mineral, how much ore is produced during the day as it is that the worker works safely in producing it.

I relate back, and I do not think I am unfair in going back to my earlier statement, that this department, in being voted a little over \$3 million insofar as exercising any leadership in the technology of mining, the answer is it does not.

I daresay that it would be rare for any of the large mining companies of this province to approach The Department of Mines of the province to get advice or assistance on mining technology. On the contrary, I imagine the flow of information is the other way; that if The Department of Mines wants to know anything about mining it goes to the leaders in the mining industry and asks them how it is done, if they are willing to tell, and whether they are or not I could not possibly answer.

But my purpose is not to deprecate, my purpose is to plead. I plead in respect of an industry that produces \$1 billion of income for the people of this province. I say with such an important industry—and that, after all,

is one-sixth of the total production of the province, I think the gross national product of Ontario is about \$6 billion; if the mining industry produces \$1 billion of it then that is one-sixth of the total produced in that area itself—in such an important industry as that, I say this department should exhibit leadership in mining technology and research and be a fountain of advice for those smaller mines at least, which are not able to afford any research, with respect to the adoption of appropriate techniques for the extraction of ore from the ground. Looking over the estimates one can see that other than geological surveys, safety, assaying and some concern with sulphur fumes, that is about the limits of the scope of this department. I think it is about time, Mr. Chairman, that the government had another look at the department and made up its mind whether it should not occupy a more important slot in the hierarchy than it now does.

I wanted to say a word, sir, about Elliot Lake. I note in the state of the union message, if I may so characterize it, more properly called the economic statement of the hon. Minister of Commerce and Development (Mr. Macaulay), he had this to say:

The value of Ontario's mineral output in 1961 was estimated at \$948 million. A decline from the previous year, when it stood at \$983 million. Substantial gains were made by several minerals, particularly iron ore, nickel and zinc. As was to be expected, production of uranium, although still ranking second, experienced a considerable decrease from \$212 million to \$157 million.

In other words, the decline in the output of uranium was about \$60 million.

Mr. Chairman, you will recall that much of the time of the House a year ago was devoted to a discussion of the special problems of Elliot Lake. Many were the pleas that emanated from this side of the House to the government to take strong and forceful action to do something about the situation there, and the threat to that very important and very highly developed community.

I would be among the first to admit that much of the mining community of Elliot Lake are quite beyond the purview of this government. I do not want to take the time of the House to review all the arguments that were made, but it is fair to reassert that we on this side of the House have felt that there was a strange lack of unity between the members of the executive council here and their counterparts in Ottawa, in view of the

fact that there appeared to be no concerted action with respect to the alleviation of the problem at Elliot Lake.

In the interval, one recalls that it was discovered that a contract for the sale of some \$225 million, I believe I am correct, worth of uranium was discovered to exist between the government of the United Kingdom and the government of Canada. I read in the press, and I get a copy of the *Elliot Lake Standard*, published weekly, sent to me in complimentary fashion by the publishers of that newspaper every week, and I take the opportunity to follow developments there.

It is interesting to note that since the decline of the community there has been a shuffle, a change of personnel of the board of trustees that runs that community and now one of the members of the board is a lawyer by the name of Jewell, who has not been in the community too long. He established a law practice there, I think, two or three years ago. It did not take him long to become president of the local Conservative association, and it was not long after he was president of the local Conservative association that he was appointed to the board of trustees and, apparently, if one follows the goings-on in that community from the newspaper, that if—

Mr. J. A. Fullerton (Algoma-Manitoulin): May I ask the hon. member a question? Did the hon. member charge them \$100 this year for making a political football out of this, as he did last year?

Mr. Sopha: I did not charge them \$100 for making a political football out of anything. I would be glad to do that for nothing.

I should not dwell too long, but I say that Elliot Lake, the situation on the council level, is such that if one is not a Conservative, then so far as the fellow Jewell is concerned you cannot get anything. I note that they even went into the high school board recently and fired the Liberals that had been serving on there for two or three years, and replaced them with Conservatives.

I think, Mr. Chairman, that it is incumbent upon the government to look into this matter of the contract which is alleged to exist between the government of Canada and the government of the United Kingdom because, so far as I am aware up to this time, none of the benefits of that contract have been, in any way, reflected in an increase of production in Elliot Lake. In other words, the increased production necessary to fulfill that

\$225 million contract in Elliot Lake has not been allocated to any of the producing mines there at all. The same grim prospect remains as existed at this time last year, that with the completion of the present contracts the community is still in danger of becoming what we know in the north as a ghost-town.

One other matter on which I would like to plead, with the kind indulgence of the House before I resume my seat, is in reference to a smelter at Cobalt. Now when I speak of Cobalt, I speak of an area of which the hon. Attorney-General (Mr. Roberts) and I are well acquainted. That is the only thing the hon. Attorney-General and I have in common, I think, and that is that we both have an association with Cobalt. I can recall, but I would not want to put a date on it, that so far as the smelting and refining of ores from Cobalt was concerned, as far back as I can remember, the ores were always shipped to Deloro. I do not know when that started, but I imagine that it was perhaps in the first two decades of the present century, Deloro being a community not far from Marmora in the county of Hastings. All of the finishing off of the concentrates, at least, was done at the smelter at Deloro.

I think it was two years ago, it might have been a little longer than that, that the refinery and smelter at Deloro closed down. It was certainly very recent and I recall that some time around the beginning of the second world war—or it might have been during that time, it might have been shortly after, I was away from my home town during those years, but I think it was during the second world war—the first efforts were made for the establishment of a smelter and refinery at Gillies, a little community about eight miles south of Cobalt. In the intervening years I remember that various groups—I would not want to run the risk of putting a name on the first one that started that smelter, I think I remember it but I will not bother to state it—but I do know that various groups in the intervening years have come along and made ineffectual efforts to resuscitate the smelter project at Gillies. They have never been attended with any success and, so far as I am aware, that plant still lies idle, as it has always been.

In the result, the producers in the Cobalt area have been forced to send their ores to the United States. Now that is an interesting matter in itself, because in connection with sending ores for refining to the United States many hon. members of the House will not know the details of some of the

struggles we have had in this country to get the refining of ores established in Canada. In respect of nickel ores, I think it was from 1890 to 1918 or so that the struggle went on between governments and producers until finally the major nickel company established its first refining plant at Port Colborne, whereas previously ores had been taken outside of Canada and had been refined in Ohio, I believe.

It is important for the economy of our country, and for the provision of jobs, of course, that as much of the mining process and refining as possible be done in Canada.

So, to go back to where I began, since the closing down of the Deloro smelter the producers in Cobalt have been forced to ship their ores abroad to the United States to have them smelted and refined.

Now, I earlier intimated to the hon. members, Mr. Chairman, that futile attempts had been made, attempts that resulted in failure, to establish this smelter near Cobalt, and they had all failed. My plea to the hon. Minister, and on which I make my conclusion, is that in respect of this development and in respect of this plant that now exists, that every effort ought to be made by his department and—in fact ought to be made by the government, ought to be made by the hon. Minister of Economics (Mr. Macaulay), who has exhibited such a recent and keen interest in the development of northern Ontario—to see what can be done by way of subsidization or encouragement of the people who own this plant at Cobalt, in an effort to see whether it cannot be opened or cannot be used for the treatment, the final treatment, of the ores that are produced in that area.

I hope the hon. Minister will lend a sympathetic ear to both my words, and, for that matter, the words of the editors of the *Northern Miner*. I shall not bother to quote their editorial in support of that position or in making that suggestion to the government today. I wish to thank you, Mr. Chairman, for the kindness which you and the other hon. members of the House have demonstrated to me in listening to my few remarks.

Mr. MacDonald: Mr. Chairman, I would like to begin where the hon. member for Sudbury (Mr. Sopha) began and concluded, with regard to this editorial in the *Northern Miner* which referred in such laudatory terms to the hon. Minister as being either a keen student of Dale Carnegie, or else he had an innate ability to win friends and influence people. We all know the hon. Minister well

and we know that the latter undoubtedly is the case. He has this innate ability to win friends and influence people.

However, Mr. Chairman, I was rather interested that the hon. member for Sudbury dropped the quotation from the editorial at that point, because as hon. members know there is an old adage in the English language that: "Flattery will get you nowhere." There is no doubt in the wide world as to what this flattery had as its immediate objective—when the writers of the *Northern Miner* were "pouring it on." Because they immediately proceeded to propose that the government should provide a subsidy to the present owner of a refinery in this Cobalt area. They even went further and suggested that maybe this was an occasion on which the government should cast free enterprise aside; step in and establish the refinery itself.

Now, the hon. member for Sudbury came back to this point. I want to come back to it immediately and see if we cannot tidy it up.

During a certain by-election a year or so ago up in the Timiskaming area, the predecessor of the hon. Minister of Mines, who was flanked by his deputy Minister and two or three other officials, visited the area and there were numerous well-staged announcements with regard to efforts emanating from the TTL to meet the need for a refinery in the area. Now, as so often happens, there is a great deal of a build-up in publicity in the by-election and the issue dies afterwards. I am a bit curious to find out from the hon. Minister of Mines where that project rests.

However, I want to add a word of caution—if I can be of influence with the hon. Minister—just a word of caution to not necessarily heed the last bit of advice from the hon. member for Sudbury. Because the situation here—I am informed, and I am certain that I am informed reliably—is that the man who now owns the present refinery and who has it over-capitalized to a point away beyond its real value, might well be interested in the proposition of the government stepping in and taking it over for perhaps a million dollars. Then he would make a few more fast bucks—he has quite a reputation of having made many of them throughout his lifetime.

So on the other hand I agree with the hon. member for Sudbury that here is a place where the government should step in. I think they should follow through on some of the promises of that by-election and use the TTL, with its very high reputation in

the community, as the operative centre for establishing a refinery in the area.

But I would repeat my caution, that I do not think the answer to the problem is to buy out at the highly over-capitalized figure the present establishment owned by one of the operators in the area. My information is that one of the problems at the moment is that the rest of the mining industry would have no confidence in a refinery if it were to be operated by the man who has this over-capitalized venture at the moment.

I spell this out, with the request that the hon. Minister should speak to this, because in his inimitably affable fashion there were a number of things he skated around in his introduction to his estimates. I submit that this is one item that he should deal with and perhaps after I sit down.

I want to devote, rather briefly, Mr. Chairman, my introductory remarks on the estimates to this whole question of revenues in the mining industry. I would not bother re-threshing a lot of old straws—maybe a rather inappropriate metaphor to use in dealing with mining—if it were not for the fact there have been some most interesting developments in the last year, that I think make it useful to review this whole situation.

For example, I was very interested, in looking through the figures that became available from the budget statement of the hon. Provincial Treasurer (Mr. Allan), to discover that in the past year, despite the fact that we are producing something approaching a billion dollars in wealth from our mines, that once again the amount of money we got in resources revenues from the mining industry was approximately \$13.5 million. I will not labour the point that we have made so often, that this is a shockingly low figure as a rental for resources that belong to the people of Ontario and upon which the mining industry is built.

Another question that I would like to ask the hon. Minister, when he deals later with the range of questions that have been put to him, is what is the explanation for the fact that in the coming year the estimates indicate that The Department of Mines expects to receive some \$21 million, in excess of \$21 million, in revenue from the mining industry. Now, I am not aware, on one hand, of any increase in mining royalties; I am not aware, on the other hand, of any expected startling increase in production in the mining industry. Therefore, I am quite frankly puzzled as to why there would be a jump of some 50 per cent or better between the receipts this past year from the resources, the mining tax, and

what the government expects to receive in the coming year. I would appreciate it if the hon. Minister would give some explanation on that.

However, quite apart from what the explanation for that is, let me proceed to consider this whole problem of the fair level of revenue to be raised from the mining industry. In the first place, Mr. Chairman, I think it is well for us to recall that the mining industry is the recipient of quite a range of assistance and subsidies from governments, both at the provincial and federal level. As the hon. member for Sudbury (Mr. Sopha) has pointed out, there are access roads which are built specifically to meet the needs of the mining industry; there is assistance for the construction of new mines; there is a three-year exemption from corporation tax and, if we come back to the provincial field, there is a total exemption from municipal tax. In lieu of that there is a special tax on the profits of the mines, and from this the government returns grants to the mining communities in lieu of the revenues they would have received as a municipal tax.

The grossly unfair aspect of this tax, Mr. Chairman, it has always seemed to me, is that whether or not these mines make a profit, they seek and receive services from the local municipalities. But if they do not make a profit they do not pay any tax and therefore the mining community has to spread out the cost of these services to the mines over the rest of the community. Now this is the kind of favoured position that no other industry in northern Ontario, or anywhere else, receives.

The forest industry, for example, is not in that happy position of being exempt from municipal tax and being able to escape any tax in lieu of it, if perchance they do not happen to make profits in any year. Likewise, I think it is wise for us to recall that any small business in the mining community, in fact any business in the mining community, if it has a tough year and does not make any profit, does not escape its share of the cost of municipal services in the community. And yet the mining company does because it does not pay the municipal tax; and if perchance it does not make a profit, it does not pay any tax to the government, so the grants in lieu back to the mining communities are reduced.

I am a little intrigued as to why the hon. member for Sudbury—who has already left his seat—coming from a mining community, would not have reiterated what is undoubtedly one of the valid and continuing complaints of the mining communities, namely, the fact that they are not getting this municipal tax and not getting a fair grant in

lieu of it from the government. But he was silent on that particular issue.

We have for some time in the CCF, and in the New Democratic Party, been claiming that there should be an increase in mining revenues from the resources tax. I do not need to repeat that claim now but I must say that I was rather intrigued to discover support for it—even if not in specifically the manner that we have indicated but at least general support of our plea that more revenues come from the mining industry—from no less a person than the hon. member for Nickel Belt (Mr. Belisle) who I do not think is in the House with us today.

I would like to draw to the House's attention that, on January 13 of this year, in the *Sudbury Star*—again I was rather intrigued that the hon. member for Sudbury (Mr. Sopha) did not support the hon. member for Nickel Belt on this—is he trying to play a sort of cosy game with the mining companies or what?

An hon. member: He was busy in the by-elections—away from home.

Mr. MacDonald: Well, he undoubtedly would have become aware of this because I am sure he has at least a few other people in his organization who would have drawn it to his attention afterwards. However, let me proceed—

THE MPP SEEKS NEW MINING TAX LEGISLATURE WILL HEAR A RECOMMENDATION

are the headlines in the *Sudbury Star*. Interestingly enough this session has now gone on for three months, from December to March, and we still have not heard that recommendation from the hon. member for Nickel Belt. Maybe he has been persuaded to present it in the secrecy of the Tory caucus where it got solidly batted down. Perhaps I can present it on his behalf to the Legislature at the present time. I will have to—

Mr. R. C. Edwards (Wentworth): He'll appreciate that.

Mr. MacDonald: I am sure he will appreciate it, yes. I will have to rely on the report in the *Sudbury Star*. Let me quote, Mr. Chairman, from that report of January 13:

A three to five per cent profit tax on all mining companies to finance northern road construction was urged today by Rheal Belisle, MPP for Nickel Belt. He said this was not new taxation, in effect, but equalizing of assessment refuting the special assistance given in mines.

I am a little bit puzzled by that word "refuting"—I imagine it means balancing off what is special assistance that is given to the mines in various forms—as I have already outlined.

Speaking at a luncheon meeting of the Ontario land surveyors of the northeastern region at Memorial Hall, Belisle said he would make his recommendation to the Ontario Legislature at the next session—

And then there is a direct quote from then, Mr. Chairman.

"If we are to continue, and we must continue to build better and new highways, we must have more revenue," said Belisle. "It is only with new roads that northern Ontario will develop and attract other industries and will continue to develop the province as a whole. We need the Sudbury-Timmins highway, the Sudbury-Chapleau road, and we need them now. It is my contention that a 3 to 5 per cent profit should be charged to all mining who are, of course, making profits. I do not think additional sales tax or corporation tax is the answer. If the corporation tax were increased many corporations would have to close their doors or curtail their operations and with the present employment situation we certainly do not want that."

He added that the auto licence fees were high enough. Belisle said that the province contends that it is not getting as much out of northern Ontario as it is putting in. "This is one way to do it," said Belisle. He pointed out that the mining firms were getting government assistance in the way of assistance on access roads, construction to new mines and three tax-free years for each new mine. He said the tax applicable to new highway construction would give the mining industry a better chance to develop other mines. He added that 95 per cent of the materials and cars which use these roads are provided by the mining industry.

And then if I may interject for a moment, Mr. Chairman, he made a statement which is a direct steal from so many speeches of the New Democratic Party that I am a little surprised that he did not credit it to us. This is his final paragraph:

He remarked that one mining company recently reported a profit of \$105 million after taxes last year. "I say that 3 or 5 per cent tax on their profits would still leave a great amount for distribution among their shareholders," he argued.

That is the end of the quotation from the Sudbury *Star*.

Mr. Chairman, I wish the hon. member were here. In fact, on second thoughts, I am not really surprised that he is not here.

Mr. K. Bryden (Woodbine): He is in the woodshed.

Mr. MacDonald: Yes, perhaps he is in the woodshed, in the political woodshed. But having made this plea, I just want to back it up. For the moment I am not going to particularly hang my case on an increase in the resources tax on the mining industry. One reason why we in the New Democratic Party feel that this is the most equitable way to raise more revenue is that the resources tax becomes a cost as far as the industry is concerned and therefore they can write it off when they calculate their corporation tax at the federal level. Therefore they get 50 per cent of a return, so to speak, or a credit on it, because the corporation tax is approximately 50 per cent.

When I emphasized this point in the House two or three years ago I remember that the hon. leader of the Opposition disputed it, and the hon. Provincial Treasurer acknowledged that this is the case—resources taxes on the mining industry are regarded as a cost and they can be deducted as a cost when calculating their corporation taxes. So it would seem to me, assuming that the industry is willing to acknowledge that more revenue should be raised from them, that this is the most equitable way of raising it. And this is what we have been pleading for for years.

However, Mr. Chairman, I am not particularly interested in the means. I am raising this once again because as the hon. member for Nickel Belt has pointed out, there is obviously a gross inequity in a situation in which, as the hon. member for Sudbury has pointed out, we have a desperate need for more roads. And if the hon. member for Nickel Belt is correct, that the government is putting more money into the north than it is getting out—I do not know whether this is true or not, but I repeat his words—if it is true then the case is all the more conclusive for the justice and fairness of this government raising more revenue from the mining industry.

And when you have it finally and conclusively underlined by the fact that here is one industry that last year had \$105 million in profits after taxes, surely it is an equitable proposition that this government should, through resources taxes or special profit tax or some other way, raise more revenue. And

incidentally, if I may just pause here for a moment, this is the simple point that we were trying to make in the by-election that apparently Senator Taylor talked about down in Waterford when he argued that we were going to be hurting some of the widows and children who were getting their dividends from the company.

Mr. Sopha: The company is going to invest \$75 million in capital expansion in the next 5 years. Now where are they going to get the money if we take it from them?

Mr. MacDonald: Mr. Chairman, if the hon. member wants to interrupt me with a statement like that, he had better get somebody who is a little wet behind the ears—

An hon. member: Well, he has somebody.

Mr. MacDonald: He has not. The interesting thing in this connection—and I do not want to go too far off because this really is not in the mining estimates—is that we have heard a lot in the last two or three years about International Nickel and the amount of money they have invested in northern Ontario.

In fact, it is \$180 million. And here are our red-blooded, hairy-chested, free-enterprisers who are developing a nation. The fact of the matter is that the tax structure of this nation has permitted this company to accumulate somewhere \$250 million and \$300 million of undistributed reserves in profits.

Hon. R. W. Macaulay (Minister of Energy Resources): Invested in plant, too.

Mr. MacDonald: Oh no, no sir. They have reserves of between \$250 million and \$300 million, so that the new development in northern Manitoba can be paid for completely “out of the sock,” so to speak.

Hon. Mr. Macaulay: Why not?

Mr. MacDonald: “Why not?” the hon. Minister of Energy Resources (Mr. Macaulay) asks. You know, there used to be a day that, when a company was going to develop they would maybe have 25 per cent of their requirements and then would go to the capital markets to get the money to do it. They would mortgage their future and they would pay it off. But we have had a tax structure that has been so favourable that they have now accumulated amounts to the point where they do not have to go to the capital market.

It is this very point that has led Eric Kierans—and I want to come back to this, perhaps, in my budget speech a little later

because I think it is a very interesting one—to muse on the rather interesting situation that we have reached in a capitalistic economy which does not need any more capitalists—because they do not have to go to the money market to get the necessary finances to develop; they have accumulated it through the internally generated reserves.

So, to come back to what you have in the instance of the International Nickel Company—and it is a classic case in our modern economy—they have been permitted such profits that they have all their investment requirements without having to borrow a single red cent. They have accumulated all this because of our tax structure.

Now I repeat, Mr. Chairman, just before I leave this point, that obviously anybody who is interested in the future development of northern Ontario and the economy of Ontario, would be foolish to want to place an unfair burden on any industry, including the mining industry. But it strikes me that the case is a conclusive one, particularly in some of the giants of the mining industry—and International Nickel leads in that category—that there is a conclusive case for raising more of the revenues, and I gladly join the hon. member for Nickel Belt (Mr. Belisle) in saying that this government should raise some more revenue. If he is interested in getting these roads, I wish I could get the hon. member for Sudbury (Mr. Sopha) to join too. Perhaps, with some working within the Tory caucus and a united opposition on this side of the House we could get the government to move forward to this.

Mr. Sopha: The hon. member will never recruit me. He tried that in Kenora and it did not work. They did not buy that in Kenora.

Mr. MacDonald: Now, Mr. Chairman, I just want to recapitulate before I sit down, because there are a number of questions that I have asked the hon. Minister, and one or two more that I want to add.

First, I would like this up-to-date story on the refinery in Cobalt. If I could capture the hon. Minister's ear again, I would say that there are a number of questions I would like to put to him. I would like his up-to-date story on the refinery and what, if anything, the government plans to do in Cobalt.

Secondly, I would like his explanation why the revenues from the mining royalties are going to jump some 50 per cent in the coming year when, as far as I know, there has been no increase in the rate, and there is nothing

like that kind of increase expected in mining production. I would like also to have him explain why—and here I do join forces with the hon. member for Sudbury—why, since the federal government is willing to meet 50 per cent of the cost of access roads, and we concede that there is a great need for the development of access roads—why the government is not stepping up its programme. I do not need to spell out in any detail that roads are the development behind which comes all other kinds of economic development throughout northern Ontario.

The final point that I wanted to raise with the hon. Minister is with specific reference to research in his department in two phases of it, relating directly to the uranium industry. Two or three years ago, I commented in this House on the initial reports that had come down on studies that this department initiated with regard to the dangers from radioactivity in the uranium industry, as far as the workers themselves were concerned. I am not going to repeat some of the quotations that I put on the record that time, I am sure the hon. Minister and his officials from the department are extremely familiar with them. But some of them suggested a very serious danger, particularly in the accumulation of this radioactive force with the workers.

Now, some three or four years have gone by since that report first came down, if I recall correctly—at least two or three years anyway—and I am wondering whether the department in its continuing studies has a further report to make as to whether or not they have concluded that there is no serious danger to the workers, or whether if there is a danger that there are counter-measures that can be taken.

The second research point in relation to the industry, that I am rather intrigued the hon. Minister did not touch upon at all, is the civilian use of uranium. It has been my belief—a belief I have expressed in this House in the past—that for quite some time those who were interested in the development of the uranium industry, placed all their hopes in the use of uranium for the development of atomic power.

Now this was an illusion that has been long since dispelled, because the amount of uranium needed for the development of all the atomic power for which we can foresee the need and the use in Canada is very, very small. A few hundred pounds will produce fantastic amounts of power. And therefore my conclusion is that the future of the uranium industry, like the future of

the nickel industry after the first world war, depends almost completely on the development of a civilian market.

Now, the nickel industry after the first world war rescued itself from being something of a white elephant as it had been developed to meet war needs and had a productive capacity far beyond the civilian market capacity. It rescued itself from that position by a crash research programme, most of which was initiated by the industry itself. The result is, of course, today we find nickel used in almost every conceivable kind of product on the civilian front.

If the solution to the problems of the uranium industry rests in somewhat the same direction, I am wondering what effort the government is making, in conjunction with the industry, to step up the research so that we can get a quicker use of greater amounts of uranium.

Just to recall to the memory of hon. members of the House, Mr. Chairman, you will recall that it was pointed out a year or so ago that, if the automobile industry alone were to use uranium as an additive to steel for an alloy which would have great anticorrosive qualities, this would absorb something like 13,000 tons of uranium a year when our peak production in Canada was in the range of 15 to 16 thousand tons a year. In other words, the one industry—if uranium were used to add to steel for a new alloy—would absorb most of the productive capacity back at our peak period of 1959 and 1960.

I have read reports of this kind of development emerging. I would appreciate it if the hon. Minister would indicate to the House what the latest information is, as far as his department is concerned, on the prospect of the civilian use of uranium either in the automobile industry or in wider fields.

Mr. L. Quilty (Renfrew South): Mr. Chairman, I have asked for a special privilege from the hon. Chairman. While we are discussing The Department of Mines I, the newly elected member for Renfrew South, would like to tell the hon. Minister of Mines (Mr. Wardrobe) that we in Renfrew South appreciate his tribute to the late Minister of Mines, James A. Maloney; and I wish the new hon. Minister, on behalf of all the people of Renfrew South, the best of everything in his new portfolio. Many of us disagreed with Jim politically but I would say that everyone liked him. Mr. Chairman, the hon. members of this House knew Jim, as I did, to be a rugged forceful man, some of them knew it probably better than I do. Well, we have his

rugged type of individual in our area. I would also say we have other natural resources.

I have enjoyed the hon. Minister's eloquent statement regarding our natural resources, and I would like, Mr. Chairman, to inform the House that we have in Renfrew South the newly selected Miss Outdoor Girl of Canada, in the person of Miss Isobel Gould, a native of the town of Renfrew.

Mr. T. D. Thomas (Oshawa): Mr. Chairman, before the estimates of the department are discussed, I would like to make one or two remarks in regard to Elliot Lake.

The other week when the hon. Minister of Mines (Mr. Wardrope) was speaking in the Throne speech debate, during the course of his remarks I made the interjection, "What about Elliot Lake?" The hon. Minister told me that everything was fine in Elliot Lake. Yes, Mr. Chairman, I am quite sure it is. Everything is fine in Elliot Lake for a few. Twelve months ago last November I listened to an address by the hon. Robert Winters. He was speaking on the unemployment situation in Elliot Lake and the Blind River area, and he assured his audience that they would come out on top in Elliot Lake. However, Mr. Chairman, an examination of the facts, I think, provides the truth of the situation.

There were some people, Mr. Chairman, who literally lost their shirts in Elliot Lake.

I know one individual who invested \$350 in CanMet Mines, and when the spoils were shared out by Rio Tinto and by Dennison, this particular individual for the investment in 200 shares of CanMet got one share of Dennison worth around \$10. Many, as I say, have lost their shirts and many hard-working miners in the Elliot Lake area have lost their homes. But it is assuring, Mr. Chairman, to know that Rio Tinto and Dennison shareholders will garner all the profit and come out on top.

The hon. Robert Winters was the Minister of Public Works in the Liberal administration and a colleague of Lester Pearson up to the time of his defeat in 1957.

Mr. Sopha: Who was defeated in 1957, Pearson?

Mr. Thomas: No, Winters. Then some two or three months after, he became the president of Rio Tinto Mines. Not surprising, I suppose. In this connection, Mr. Chairman, I want to read an extract from the *Toronto Daily Star* of March 24, 1961, and I quote:

The federal government and the Liberal Party have a lot of explaining to do on

why a \$200 million uranium contract with Britain, signed early in 1957, has not been made public until this month.

Since late in 1959, when the United States and Britain announced they would not be taking up options to enter into further purchase contracts, the uranium industry and many miners and others dependent on it for a livelihood, have undergone great hardship. Mines have closed down; large areas of uranium communities, like Elliot Lake, have become deserted as the jobless moved on.

All this time, there existed this contract with Britain for 24 million pounds to be delivered in four equal instalments in the years 1963 to 1966.

Why were the terms of the 1957 contract not made public earlier? The contract was signed on March 29, 1957, some 10 weeks before the defeat of the former Liberal government. It was, therefore, known to the Liberals. Why in particular, has Liberal Leader Pearson, whose riding takes in Elliot Lake, not brought it into the open?

Robert Winters, now president of Rio Tinto Mining Company, was Public Works Minister in the Liberal government. Why did he remain silent while his company gobbled up a number of the small producers who might have benefited from the contract?

The contract was made by Eldorado Mining and Refining Ltd., a Crown corporation. Its president, W. M. Gilchrist, gives a curious explanation for the secrecy.

He says Eldorado didn't want to encourage those mines which were doing well in the 1950's, but which were not necessarily economic producers. Eldorado thought it advisable to reduce the number of producers.

It was obvious that the boom of the 1950's gave rise to some inefficient operations and that there would have to be a shake-out eventually. Eldorado's strategy—for which the government must take responsibility—was to hasten it by withholding the facts about the British contract.

The government told communities like Elliot Lake it was doing everything it could to help them. What it was not doing, however, was using this big contract to make the inevitable transition in the industry as orderly as possible, causing the least possible human hardship. Instead the Ottawa attitude was to let the devil take the hindmost, so that the contract would go to the rest.

[One of the rest, it should be noted, is Eldorado itself. It is a producer, as well as a refiner and uranium trading agency.]

There has been ineptitude at the very least. The Commons special research committee, where details of the contract finally came out recently, must dig more deeply into this. And no further time should be lost in bringing the contract to bear on the difficulties of uranium towns like Elliot Lake.

Now, sir, it seems inconceivable that a Cabinet Minister of the Liberal administration did not know what was going on in his own riding. I can understand if he had been a member of the Opposition. A member of the Opposition quite well knows that there are times when things happen in his particular riding that he did not know anything at all about because it has been government inspired. But the leader of the Liberal Party, the hon. Lester Pearson, was the member for this particular riding. Surely he did know of the contract that existed between the federal government and Great Britain. I sincerely hope, Mr. Chairman, that in the coming election, when it does come, that the good intelligent people of Algoma will give a great deal of thought to these facts.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, with respect to the problem just raised, it may be that an unnecessary amount of time should not be taken here but on another occasion—

Mr. Thomas: Why not?

Mr. Wintermeyer: If the hon. member does not object, then I will be very glad to carry on.

I can only add, Mr. Chairman, what I recall, and I am subject certainly to the exigencies of memory. My recollection is that Mr. Pearson made a statement in this respect. I think he pointed out the contract was executed not 10 weeks, if I recall, but 10 days before the day in 1957 to which references have been made.

Secondly, he specifically, as I recall, said that he did not know.

I think we have to take this man's word for it. This statement was made a year ago and to suggest now, a year later, that he was not telling the truth when he made that statement I think is a reflection on a distinguished man in Canada and should not be made in this House, unless something new is known or added to what has been said heretofore.

This matter was thoroughly discussed a

year ago, and I think to the satisfaction of almost everyone. An adequate explanation was made and I know of no changes in the interval which would prompt the hon. member for Oshawa (Mr. Thomas) to bring this matter to the attention of this House at this time.

Mr. MacDonald: The agreement was made in Bermuda and he was at the conference.

Mr. J. Chapple (Fort William): Mr. Chairman, I think that in northwestern Ontario one of the most important industries we have to develop is our iron ore industry. Unfortunately, at the present time we find that this industry is very much in the doldrums, regardless of what anyone can say at the moment at least. Back on October 13, 1960, the former Prime Minister, the hon. member for Victoria (Mr. Frost), when he was in northwestern Ontario addressing the northwestern Ontario Municipal Association, said this:

Iron ore purchased, valued at \$25.3 million last year is almost twice the region's 1958 output and 15 times more than the total 15 years ago.

Now this may be so, but the mining industry in northwestern Ontario has found that it has been depleted. It has reached the point where if the markets are not available, we find that costs, expenses over which the mining company has not too much control, are forcing the mining companies to contract. The amount of iron ore which will be sent to the head of the lakes is being depleted. Because of difficulties in open-pit mining, the people are trying to open up the Lake St. Joseph area. I would like to repeat to the House a short paragraph which one of the high officials of the Steep Rock Iron Mines Company has written in a letter. He says:

A further development in the Lake St. Joseph area could be in prospect if rail rates and other similar situations were favourable. Involved would be an expenditure of \$100 million plus a town for at least 3,000 people; a 68-mile branch rail line; a \$40,000 hydro installation; new ships, docks, etc.; a new payroll would be created for 1,000 men, in turn creating employment and subsidiary industry for 5,000 to 8,000 additional persons.

As we all know, in northwestern Ontario, our greatest chance of putting men to work, of creating jobs, is to develop the mining industry. I myself spent 10 years in the town of Geraldton, which was originally developed by a gold strike in 1934. I was one of the ones there. There was a great deal

of enthusiasm with these mines coming into operation and production. Strikes were made on many properties, many properties which are today ghost towns. In that particular part of the country there is only one mining property left which is in production.

This is a very unfortunate development. Here we have people, politicians, telling us that in our part of the country there are unlimited mining deposits and when it comes to developing these products then we do not have the amount of money necessary to develop these areas. Gold itself, of course, goes right back to the basic problem of low grade ores which cannot be developed because of the fact that the cost of labour, the cost of putting the operation into force and also the fact that the price of gold is at a figure at which it is almost impossible to operate.

Of course, there are many mines in operation right now up in the Red Lake area and in many areas in northwestern Ontario, but these are operations where the mining veins are sufficiently rich to make the operation a profitable venture.

Our big problem with mining is not so much the fact of trying to find the mines. The problem is trying to operate the mines in such a manner that we can put people to work; this is the thing that we are interested in. How are we going to employ people in northwestern Ontario, or northern Ontario, if we cannot have these mines operating? We cannot fill the area with people unless we find jobs for them in order to keep them employed.

I think that the main function of this government is to assist. As far as I am concerned, there are many ways in which we can assist; and I believe that if these ways and means of assistance can be looked into and developed, instead of taking a mining company and saying: "Here, we are going to throw more costs on you," as the hon. member for York South (Mr. MacDonald) has indicated is the thing that should be done, I think ways and means must be found to keep the mines in operation so that we can get the revenues in sufficient quantity to pay for costs of material and machinery and underground explorations that are needed to develop a mine and make it worth while. At Hardrock goldmines in Geraldton, they had to put \$1 million underground before they got a nickel from this particular mine. This means that the whole operation is terrifically costly, and if the price of one's product is not sufficient to make the investment worthwhile, there is no earthly use of the investment being made in the first place because loss is

the only thing that is definite as far as the final result is concerned.

Votes 1201 to 1206, inclusive, agreed to.

On vote 1207:

Mr. R. W. Gibson (Kenora): Mr. Chairman, I am somewhat taken aback by the rather rapid pace of events on this particular set of estimates. I should like to say something under the heading of "Construction of Mining and Access Roads."

I am, as you know, one of the new members and had the good fortune to be involved in a rather interesting election campaign. The first indication of what was to come took place on the day of the Conservative nomination convention in Kenora. Now on the day that convention was held we had a front page headline in the Kenora daily paper indicating that the mining access road to the Werner-Gordon Lake area would be built immediately.

Mr. Sopha: I remember it well.

Mr. Gibson: Since that time my hon. colleague in the federal House, who is also a Liberal-Labour member, has made inquiries in that house of Mr. Dinsdale, Minister of Northern Affairs, and I am advised that Mr. Dinsdale has indicated to this government that the federal government considers this as one of the projects falling under the "Roads to Resources" programme. Just recently, in this House, I asked the hon. Minister of Highways (Mr. Goodfellow) what the status of this road was, and I have received the courtesy of an answer to the effect that the matter was under consideration; in spite of the fact that this was a headline, as I have said, in the Kenora daily paper.

One other thing, while I am on the subject. We have in our area another mining centre at Pickle Lake. To this centre we have no means of road access in spite of numerous other election promises by hon. members of this government. I suggest to this House that something should be done in our area, other than giving us promises every four years. The hon. Minister of Mines (Mr. Wardrope), who claims to represent northwestern Ontario, knows full well of what I am speaking, and I suggest to him: let us cut out this nonsense of promises, and produce facts.

Hon. Mr. Wardrope: Mr. Chairman, if I might answer that. I wonder if the new hon. member for Kenora (Mr. Gibson) thinks that

some \$50 million spent up there is fooling around? The promise was made during the last by-election about the Werner Lake road, and I think the hon. member knows, if he will ask people up there, that the survey gangs have been there ever since that promise was made—getting the alignment of this road, figuring out what it is going to cost for bridge structures and other things. I am very surprised to hear him talking this way. That road is under way; it is one of the many projects that have been built in northwestern Ontario by the mining and access roads committee of this government.

Mr. Gibson: Mr. Chairman, in the first instance, if such was the case why did not the hon. Minister of Highways (Mr. Goodfellow) indicate that to me the other day; rather than give me an evasive answer which was, to say the least, insulting—just as insulting to me as these promises were to the intelligence of our voters in the Kenora district by-election?

Let me add two more things if I may. You will note that the last year's estimates for mining and access roads was \$1,550,000; this year these are \$1 million. Now there is an indication right there—

Hon. Mr. Wardrope: On a point of privilege, Mr. Chairman—

Mr. Gibson: I have the floor; if I may be permitted to continue.

Mr. Chairman: Order, order.

Mr. Gibson: Now, looking at the estimates of The Department of Highways, we find the same situation applies.

Hon. Mr. Wardrope: This is Mines the hon. member is talking about; we cannot—

Mr. Gibson: I just want to draw an analogy—looking at the estimates for The Department of Highways the same reduction of monies for northwestern Ontario is found. That is what this government has to offer northwestern Ontario.

Hon. Mr. Wardrope: We cannot put one road on top of another.

Mr. Chairman: Is vote 1207 agreed to?

Mr. Sopha: Just a moment, Mr. Chairman. Does the hon. Minister wish to say something? I want to add a word.

Hon. Mr. Wardrope: No, that is quite all right.

Mr. MacDonald: Did the hon. member throw him off stride or did he have something to contribute? Why does the hon. Minister not answer the questions that were asked?

Hon. Mr. Wardrope: Well, when the hon. member speaks, it is quite all right with me; they are all passed but one estimate. I do not want to burden the House.

Mr. Sopha: Mr. Chairman, in the fashion of the man we do not see so much, just to pour a little oil on troubled waters here. This will please Mr. Reguly, who I notice is not in his seat today, who chasteneth us over the week-end.

Mr. Chairman, I want to make a comment about the hon. member for York South's solution to the rather startling headline that he referred to in the *Sudbury Star* in reference to the hon. member for Nickel Belt's speech at Sudbury about additional taxation of mining companies for the building of access roads. I, of course, read that, sir, at the time that it was made and I must say that I was rather surprised by it.

I am not going to launch into any criticism of my esteemed colleague from the Nickel Belt, about it today but I just wanted to point out—especially to the hon. member for York South, Mr. Chairman—that when one begins to speak about taxing mining companies in order to pay for anything, whether it be access roads or any other form of special taxation, that, so far as northern Ontario is concerned you are talking about eight or nine companies.

If you start to talk about taxing their profits, starting from the north, the companies that make a profit, after you deal with Dome, McIntyre, Hollinger, INCO and Falconbridge, GECO, Steep Rock—and that is just about all of them so far as the great bulk of mining activity in northern Ontario is concerned—the greatest number of mines do not make a profit at all. On the contrary, they are subsidized in their production by payments from the federal government.

Mr. MacDonald: Why not start with these then?

Mr. Sopha: I just want to put this thing in its proper perspective. When you talk about taxing mining companies you are talking about a very special, peculiar section of the industry. I venture to say that more people are employed in mines in northern Ontario that do not make a profit, than are employed in mines that do. But I have no

figures to verify that one way or the other but I just want to—for the purposes of the record if nothing else—to say that any form of special taxation in relation to the building of access roads is not, in the first instance, the responsibility of the mining company, but it is the responsibility of this government, this department and The Department of Highways, The Department of Lands and Forests.

There is just one additional thing I want to mention. Every year we hear this speech from the hon. member for York South (Mr. MacDonald), and if he does not make the speech then the speech is parroted by the hon. member for Woodbine (Mr. Bryden), about taxing these resources industries. I noted with some keen interest the other day that the hon. member for Woodbine had changed his tune a little bit about taxing resources industries and he had begun to talk about tax concessions for those engaged in seasonal work. For a large part of his speech he did not sound like the old bearded socialist zealot, the old Fabian at all. He sounded like the editor of the *Financial Post*. Nowadays one cannot determine from what a person says—in the nuclear age, the inter-space age—one cannot tell from the jargon just where he belongs. Socialists begin to sound like the editor of the *Financial Post*, as I say.

Of course, these people have tried this, they have talked about it. I said by way of interpolation to the remarks of the hon. member for York South because I wanted to assist him—I always want to assist him, I always want to inform him—I said when he was speaking he talks about a company making \$105 million a year. Well, there is no such company. I suppose the name of the company that was referred to is International Nickel; which did not make \$105 million last year, it made \$88 million, which, to my hon. friends to my left, is a difference of \$18 million—

Mr. MacDonald: We did not say that.

Mr. Sopha: Eighteen million dollars would not be that important—well, he may have said it, but the hon. member underlined it. The hon. member underlined it and did not correct it. They remain socialists to this extent, that the making of a profit is almost sinful, a company is not supposed to make a profit. I said to the hon. member that the same company is investing \$75 million in the Sudbury basin over the next five years. He seemed to allude to the fact, that they had made previous announcements that they were

investing their money back into expansion, and his attitude—the lilt of his voice almost—seemed to suggest that there was some disbelief.

Now, if he wants to come with me the next time he is in Sudbury to have a look at the Clarabelle pit that is replacing, so far as surface mining is concerned, the open pit which has now been shut down at Frood, and if he wants to—that accounts for \$26 million, if my memory is correct, the development of that surface mining, the Clarabelle pit, that sounds almost as if it could be in Bruce county, Clarabelle, and \$50 million, Mr. Chairman, in the expansion of the iron ore plant.

I do not come here with any special brief for the International Nickel Company, but as the member for Sudbury I am not ashamed to say something on their behalf and to extoll them in some measure either, because they are a very progressive organization. Formerly this iron ore was thrown out as waste and they, through their own research facilities, developed a process whereby they could save this iron ore. They built a pilot project there and found it to be extremely efficient in the recovery of iron ore from what was formerly waste. The operation can be so economically feasible, financially feasible, that the company announced a year or more ago that they intended to expand the facility by the addition of a plant which will mean an investment of another \$50 million.

So it is easy for our friends to the left, Mr. Chairman, to get up and say, "Well, this monolithic corporation ought to be taxed more." It all depends which way you look at it, I suppose. On one hand the company re-invests the money that it makes by profit. The end result of the adoption of the schemes of our hon. friend would be the provision of less jobs, the creation of less wealth and finally the eradication of any incentive on the part of these people whatsoever. I make no apologies for saying those things on behalf of the people and to state my position as being one where I completely reject the insinuations, the innuendoes, that our hon. friends from the west like to—the best word would be that they like to "spread."

Mr. MacDonald: Mr. Chairman, I am not going to comment on what has been said here. It is obvious that the Liberal Party is seeking its election funds for the next election and they are going to get them in gobs.

Mr. Sopha: This, of course, is the usual innuendo.

Mr. MacDonald: It is not an innuendo; it is a fact of political life. Now, Mr. Chairman, I rise, not to persist in the argument with these hon. members because I was just underlining what a Conservative member of this House has asked for. That is my significant point, but he wants to climb into bed with INCO and ignore what the Conservatives had asked for, to the detriment of the community where he works. However, could the hon. Minister let me have a reply to the three or four questions that I asked?

Mr. L. Troy (Nipissing): Mr. Chairman, I—

Mr. MacDonald: Is the hon. member going to let the hon. Minister answer the questions?

Mr. Troy: Oh, pardon me. I would not substitute for him.

Hon. Mr. Wardrobe: There were several questions which the hon. member for York South (Mr. MacDonald) asked, and I had them all neatly tabulated, but when all the different items went through unchallenged, I thought I was through.

Mr. MacDonald: They are usually answered before the items.

Hon. Mr. Wardrobe: I thought I had answered these questions in my talk before, when I was presenting the estimates.

Mr. MacDonald: What would the hon. Minister say about the refinery and the TTL then?

Hon. Mr. Wardrobe: As far as the refinery is concerned, we had many interviews with the industry and with the present owner, as you know. I find that in my department and other departments of the government, it is impossible to keep any secrets from the Opposition. But we have had constant interviews with them, the industry asking that the government take the refinery over and run it. We have investigated the costs and so on—there were some things said about the present owner—and we were progressing along some definite course which might reach a conclusion satisfactory to everybody when we heard from the owner that he was going to carry on. I think that happened just about four or five days ago.

We are hopeful that it will carry on successfully and that the mine operators will maintain their confidence in that plant because I think there is a young man in charge of that plant who is a very knowledgeable man. He has an excellent staff, and any work

that has been turned out has been well done. We are watching it very closely and if it looks as if it is going to shut down then I will again step in, or my department of the government will step in, and see what can be done about carrying it on, because I do think that we should not be shipping our ore to the United States to be refined, I think we should do it here if at all possible. But it is under very close scrutiny by the department and we are watching it very carefully.

Mr. MacDonald: There were two or three other questions.

What is the explanation for the 50 per cent jump in revenues from mining royalties this coming year, when there is no increase in rate or no prospective increase in production; anything in that proportion anyway?

Hon. Mr. Wardrobe: I was puzzled with that question. I was wondering if it was a misprint in the budget because we have no record of those figures mentioned by the hon. member for York South.

Mr. MacDonald: Page A-10, budget forecast of ordinary revenue, fiscal year April 1, 1962 to March 31, 1963. I am sorry, Mr. Chairman, it is my error. My eye went up one column. My apologies, Mr. Chairman.

Hon. Mr. Wardrobe: The apology of the hon. member is accepted, I could not find it.

Mr. Troy: Mr. Chairman, on this vote 1207, on access roads. As this House very well knows, this programme was initiated by a very fine gentleman, the late Welland Gemmell of Sudbury. He saw the need for these roads to open up the northland.

The base was broadened, I believe, five or 6 years ago. The worth of those roads is certainly known to anybody who knows the north and the hon. Minister is from northern Ontario. This programme has opened up valuable timber land and valuable land for agricultural settlement. It has given isolated communities opportunity to have direct contact with the outside world. In a word, it has been a splendid development.

But I notice in these estimates that the access road allotment this year is down \$550,000 from the current year. We heard very much about the new look for northern Ontario—is this the new look? Is this the first step of the advisory council that has been set up? Is this the first step in its development, that we cut down \$550,000 from the estimates? Is that the way the government is going to increase the development of northern Ontario?

If that is the new look, give me the gay nineties!

Mr. Gibson: I regret that in my initial enthusiasm this afternoon I neglected to congratulate the hon. Minister on the assumption of his new portfolio. I should also like to say that I agree with the remarks made by the hon. member for Sudbury (Mr. Sopha) as far as the personal qualities of the hon. Minister are concerned.

The hon. Minister, as hon. members know, is from the same general area of the country as I am. I am sure that we can be confident that we will have no prevarication, equivocation or avoiding of answers from this hon. Minister.

With that in mind, I should like to turn to item No. 1207. We have \$1 million this year for the opening of the north, an area which is now heavily troubled with unemployment, as we all well know. We have seen also that the highways programme is down by the same amount, one-third. Now I am wondering, Mr. Chairman, if this represents something of the views or the hopes of north-western Ontario of this government.

In particular I should like to ask the hon. Minister when the tenders for the Werner-Gordon Lake access road will be called; when construction will start, and what is the expected completion date? As I said, the hon. Minister is a member from north-western Ontario. I am sure that I will not get the insulting answer that I got from the hon. Minister of Highways.

Hon. Mr. Wardrobe: The first question that was asked about the reduction in road expenditures, in that area, of \$4 million—from \$13 million to \$9 million—I think that is what the hon. member for Kenora (Mr. Gibson) is referring to. The hon. member must remember that the Trans-Canada Highway is almost completed. There is some paving and widening to do, and I know every bit of it because I have been over it so many more times than other hon. members. But do not forget this: most of the rock work and the very expensive construction is finished.

Mr. Gibson: That is utter nonsense, and the hon. Minister knows it.

Hon. Mr. Wardrobe: Well, what would the hon. member do if he were the government; just stick \$13 million in unless he had a place to put it? That is why the figure is \$9 million. This will cover the work necessary; if more is needed the government will provide it.

Let me say something about the mine access roads grant being down from last year. It is not the provincial contribution that is down; it is the federal. It was cut, I think, 50 per cent; that is why we put in an extra \$250,000 to make it \$1 million. The contribution of this government is up, not down, and I would tell the hon. member that we are holding consultations with the federal government at the present time to try to get more money and to see that they give us more money in the future, if that is possible. These things we are trying to work out.

As for the Werner Lake road into Nickel Mining and Smelting Company property. I have flown over that road myself; I know the difficulties. At the present time, as I told the hon. member, a survey is going on—a study of a very, very expensive bridge structure is being done—and I think the hon. member for Kenora was told that the other day by the secretary of the mining access roads committee. I mentioned the secretary's name to him, sir. If he had called him he would have told him. This announcement was made, it is quite true, at the time of the by-election; but it was a factual announcement, and at no time has this government gone back on it.

But, mind you, these things take time, and we have seen that the road from Manitoba—for immediate purposes, to get the plant and machinery in—is going to serve the purpose. When we start, after the surveys and the bridge structure are done, it is going to take considerable time to get that road finished. It is not a small matter. It will cost about \$2 million plus, but we at no time have said that road was not going to be built.

Mr. Wintermeyer: How many miles is it?

Hon. Mr. Wardrobe: About 22 miles to build, I think. There are 30 miles already built from Minaki into the southernmost end, and then there is a small piece up at the north end near the mine; but there are 21 or 22 miles of new road to be built.

Mr. Gibson: Mr. Chairman, firstly, I should like to say that there is presently an all-weather winter road that was built by the province of Manitoba to the Ontario boundary. I believe that there has been a projection of this road into this mining area which indicates that the Manitoba government, if nothing else, had some foresight, something that I suggest is lacking in this government. If they can do it why cannot we do it?

I should like to reiterate my question, not for my own personal benefit but for the benefit of the unemployed in our area. When will tenders be called and when does the hon. Minister expect to have this project completed?

Hon. Mr. Wardrope: That is impossible to say, because we do not know when this survey is going to be completed. Let me tell the hon. member something about the road from Manitoba. The Manitoba government did not build that road for that mine at all. The hon. member knows that. That is a fishing road and was built there—

Mr. Gibson: Let us have an answer to the question.

Hon. Mr. Wardrope: Wait a minute, now. These are facts that I am giving the hon. members, and the hon. member for Kenora knows that too. This road has been improved by the mine itself and some \$75,000 spent on it, not by the Manitoba government but by Nickel Mining and Smelting. Now remember that. The hon. member said the Manitoba government had built this road in; but we know all these factors. We have worked very closely with the hon. Mr. Dinsdale who is Minister of Northern Affairs in the federal government and who is also in that area; he knows the score and we are carrying on these deliberations and we will go ahead with this road; the hon. member does not need to worry about that. But we are not going to go in there to throw a whole lot of money foolishly around, into a lake or something, until we have the proper surveys made.

Mr. Gibson: Mr. Chairman, may I rephrase my question? When does the hon. Minister anticipate the survey that is now under way will be completed?

Hon. Mr. Wardrope: The hon. member had better ask the engineers.

Mr. Gibson: I would suggest to the hon. Minister that that is his responsibility, not mine.

Mr. MacDonald: Mr. Chairman, I am a little puzzled at the haste with which we galloped through the specific votes and then had to plead for replies to questions that had been asked earlier. I am also a little touched by the confidence of the hon. member for Kenora (Mr. Gibson) that the hon. Minister will not equivocate and evade when a question is asked him. I have tried now to get

answers on about four different occasions, and there are two more questions I have asked which the hon. Minister has ignored—questions with regard to research. What is the government's present views on their continuing research in the dangers of radioactivity to the miners in the fields and, secondly, what is the government doing, if anything, on their own, or in conjunction with industry, for the development of the civilian uses of uranium?

Hon. Mr. Wardrope: Well, I had them all ready but the hon. member went through them so fast it amazed me and I just bundled my papers up.

Mind you, I am not joking about this, because the hon. member's questions are very good ones, and they are important ones. I agree with that.

Radioactivity of the uranium mines. Since the opening up of the uranium mines in Ontario, the levels of radioactivity have been measured at regular intervals in all working places. The levels of radioactivity which are controlled by ventilation have been held very close to the tolerance recommended by the American standards association. It is to be remembered that our ores are low grade in comparison with a large number of operations in other parts of the world, and consequently levels of radioactivity are easier to control.

Now, radiation in the Elliot Lake area is well within safe limits. First, this a low grade ore, and our ventilation and testing programme and that of The Department of Health and the Water Resources Commission have reduced this danger in Elliot Lake to a minimum.

Does that answer the question?

Mr. MacDonald: Well, it does—except for this one point: the experts in the department's report two or three years ago pointed out, that we may keep our levels of radioactivity below the level of tolerance, but the cumulative effect of a level which is below the level of tolerance may rise above the level of tolerance. In other words, the danger is a cumulative one.

I am not asserting this to be a fact. This is a new field. The experts do not know what the impact is going to be on the human race. This may turn us all into monsters two generations hence, or idiots or heaven knows what, but the hon. Minister's answer ignores this rather key point, if there is any validity in it. While the level of tolerance may be maintained the cumulative effect ultimately will create as great a danger. I do not know

what the experts, or what the hon. Minister's own department, feel.

Secondly, the hon. Minister has still not answered the question as to what this government is doing, if anything, alone or in conjunction with industry, in the development of the civilian uses of uranium.

Hon. Mr. Wardrope: The hon. member has brought out a good point about radioactivity. I am sure that our men, hearing him speak, will be alert and we will carry on with this investigation to see that it does not get to the point where it is serious.

Research with uranium and steels is being carried on by the federal Department of Mines and Technical Surveys. Although more work has to be carried out we hope it will fill the need for peacetime use of uranium. We are constantly looking into the peacetime uses.

On the contract that was mentioned this afternoon I was talking to the hon. George Hees not so many days ago and they were hopeful that they would have that contract before now, but it is a question of price and also a stretch-out. They have not arrived jointly at a satisfactory arrangement, but they are very hopeful that it will be done before long and we all hope the same thing. I know the Opposition does, too.

Mr. Sopha: Mr. Chairman, just one other thing that I forgot. The hon. Minister may be so kind as to give an answer to this. I well recall last year that the hon. leader of the Opposition (Mr. Wintermeyer) inquired of the then Minister of Mines (Mr. Maloney) about the development of the ocean port at Moosonee. In reference thereto, it is peculiarly appropriate that he should have inquired because we are all concerned about the vast resources of iron ore that there are in the Belcher islands, and I well recall, also last year, that the then hon. Prime Minister (Mr. Frost) replied, with respect to the government's plans for the development of that port, and I am happy to see the hon. Minister of Economics (Mr. Macaulay) nodding, because he remembers, too, when that discussion took place.

Mr. MacDonald: It is part of his empire now.

Mr. Sopha: It is? Well, perhaps, Mr. Chairman, we could hear from the hon. Minister of Mines (Mr. Wardrope) or the hon. Minister of Economics (Mr. Macaulay) or the hon. Prime Minister (Mr. Robarts) in the same way this year about the govern-

ment's intentions with respect to the development of an ocean port at Moosonee.

Hon. Mr. Macaulay: Could I say to the hon. member that I welcome his inquiry. I was going to deal with this tomorrow in the estimates of The Department of Commerce and Development, and at that time table the large report which has been carried out by the federal Department of Mines and Technical Surveys, and to discuss these tomorrow, if the hon. member would like.

Vote 1207 agreed to.

Hon. J. P. Robarts (Prime Minister) moves that the committee of supply rise and report that it has come to certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report that it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

THIRD READINGS

The following bills were given third reading, upon motions:

Bill No. 51, An Act to amend The Hospital Services Commission Act.

Bill No. 52, An Act to amend The Public Hospitals Act.

Bill No. 54, An Act to establish the Ontario Code of Human Rights and to provide for its Administration.

Bill No. 55, An Act respecting Certain Lands in the Town of Gananoque.

Bill No. 56, An Act to amend The Crown Timber Act.

Bill No. 58, An Act to amend The Lakehead College of Arts, Science and Technology Act, 1956.

Bill No. 59, An Act to amend The Notaries Act.

Bill No. 60, An Act to amend The Judicature Act.

Bill No. 71, An Act to amend The Training Schools Act.

Bill No. Pr1, An Act respecting Greater Oshawa Community Chest.

Bill No. Pr3, An Act respecting the City of Belleville.

Bill No. Pr4, An Act respecting The Queen Elizabeth Hospital for Incurables, Toronto.

Bill No. Pr8, An Act respecting the Village of Markham.

Bill No. Pr13, An Act respecting the Township of Nepean.

Bill No. Pr15, An Act respecting the High School Board of the Township of Nepean and the Collegiate Institute Board of the City of Ottawa.

Bill No. Pr23, An Act respecting the Young Men's-Young Women's Christian Association of Cornwall.

THE ONTARIO WATER RESOURCES COMMISSION ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves second reading of Bill No. 77, An Act to amend the Ontario Water Resources Commission Act.

Motion agreed to; second reading of the bill.

THE DEPARTMENT OF MUNICIPAL AFFAIRS ACT

Hon. Mr. Cass moves second reading of Bill No. 79, An Act to amend The Department of Municipal Affairs Act.

Mr. V. M. Singer (York Centre): Mr. Speaker, Bill No. 79 is the one that the hon. Minister advised was self-explanatory—and I suppose he gets that from the explanatory note which says that it is self-explanatory. In the past, we have heard a great deal from the former Prime Minister (Mr. Frost) and other members of the government front benches about the importance of local autonomy. Now, Mr. Speaker, it seems to me that this bill is a real attack on all the principles of local autonomy that the government has been talking about for many years. What in effect this bill says, as I read it in any event, is that if an assessment has been made, even if there has been an appeal to the court of revision, county judge, or the municipal board, and suddenly someone in The Department of Municipal Affairs comes to the conclusion that this assessment is unreasonable, the department can, of its own volition say, "Let us cancel that all out and start over again," and send in its own assessors.

Now, Mr. Speaker, I would like to know what motivates the principle behind this. Is it that the department has suddenly come to the conclusion that municipal assessors cannot do their jobs properly? Is it that the department has determined now that there will be a province-wide system of assessment? If this is what the government has in mind why does it not come out and say so?

At the session of the select committee on municipal affairs to inquire into The Municipal Act and related Acts, there were a number of suggestions put forward by the members to the effect that the system of county assessors was a good one and should be extended. There was certain criticism levied at the present legislation on the basis that the only way of having a county assessor's opinion apply throughout the whole county was on the basis of unanimous consent of all the municipalities in that county.

It was noted on the way by, that no county had ever achieved that unanimous consent but that the idea was a good one—that there should be similar standards of assessment throughout the whole county. And I submit that this is a good and sensible idea even though it has not been applied.

There was the additional question, and it was raised by several witnesses who appeared before the select committee and by several members of the committee, that it was pretty difficult to obtain assessors of competent training because many of the smaller municipalities were unable to pay them sufficiently high salaries; that there were not recognized standards of training for municipal assessors; that the department has not as yet, as they have done with auditors, determined what the qualifications are of certificated or qualified assessors.

Now, Mr. Speaker, what puzzles me about this, and what I think is a most peculiar thing in the government's approach to this self-explanatory bill, is that suddenly they are throwing over this whole idea of municipal autonomy; they are taking into the department the right to completely discard an assessment, even after it has been approved by a court of revision or county court judge or the Ontario Municipal Board. And they are substituting their own view. They can appoint new assessors and do the whole thing over again. I think the hon. Minister must give this House the real explanation as to why this very important departure from principle is being taken at this time.

Hon. F. M. Cass (Minister of Municipal Affairs): Well, Mr. Speaker, the hon. member

has, I think set forth very well, the arguments and many discussions there have been before the select committee of which he is a member, and in many other places and the reasons why a provincially equalized assessment might be a sound matter from the viewpoint of administration of certain things such as grants. However, he has also said something which, I believe, is still the policy of this government namely, that this government does believe in and does wish to respect municipal autonomy. That is still a valid statement of government policy so far as myself and my department are concerned. I confirm what the hon. member has said with respect to government policy in that regard.

This particular section is a section which does give—as the hon. member has pointed out the Act is quite self-explanatory—it does give to the department the right to have a re-assessment where the department deems necessary. Although that is not in there I can assure the hon. member and all hon. members the department would never arbitrarily order such a re-assessment. Where the department, in consultation with and, I am sure, at the urging of, a local municipality, feels that such patent inequalities, by reason of certain appeals to the court of revision, exist, in cases where some owners had appealed and other owners with equally good cases had not appealed, there could be then a patent injustice and the basis for the tax would be unfair and unreasonable.

I think that it is only right that this government should allow the local municipality, at its request, to have a new assessment made, not necessarily by government assessors but by those acceptable to the municipality as well as to the department. Then in the current year all people would be used properly; the tax basis would be the same, the tax basis would be fair, the little man as well as the big man would pay a reasonable and fair tax.

That, Mr. Speaker, is in essence the reason for this amendment. I doubt very much if it will be used on very many occasions. I can assure you, Mr. Speaker, and the hon. members of this House, that it will not be used in any municipality where the local authorities do not wish this assistance from the department in order to have their people used fairly.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, may I ask the hon. Minister where the initiative had come from with respect to this piece of legislation? Who has requested it? The hon. Minister

has said it is not likely to be used very often. Would he advise the House under what circumstances it would be used? Who has outlined the reasons why this particular piece of legislation should be brought forth?

Hon. Mr. Cass: Mr. Speaker, that is a fair question, and yet to answer it would be almost impossible in most cases because until the case arises, it would be pretty hard to say whether any particular municipality would be one affected by this Act.

But I would say this that it arose in The Department of Municipal Affairs and arose out of the consideration of a situation, Mr. Speaker, which would arise particularly in those municipalities which are closely supervised by the department. I believe that all hon. members are aware that since the municipalities that went into supervision during the depression have been released from supervision by the department, there are now only improvement districts under the direct supervision of the department and those municipalities which receive a mining tax grant are also under a certain amount of supervision by my department.

The officials of my department have become concerned that in certain areas it would be possible, and probably is so, that an assessment made in the year before for taxation, the next year could be badly thrown off balance by many things, including appeals which were successful by a small segment of the tax paying base. So as a matter of concern to them, they recommended to me, and I did to the government and to this House, that this power be given to the department officials so that, as occasion arises, it may be so used.

Mr. Singer: Mr. Speaker, I wonder if the hon. Minister would permit another question that has occurred to me as a result of his remarks?

Has the department no faith in the appeals safeguards presently in The Assessment Act? There are appeals to courts of revision from there to a county court judge, from there to the municipal board. Have there been criticisms of the disposition of these appeals? What in fact is being done, Mr. Speaker, is to provide an appeal from an appeal from an appeal. And here is a new appeal which can be handled by the department after the aggrieved persons have exhausted three other sets of appeals.

I am surprised really that the hon. Minister, apparently by introducing this Act, shows such little faith in the decisions of

courts of revision or county court judges or even his own Ontario Municipal Board.

Mr. T. D. Thomas (Oshawa): Mr. Speaker, the hon. Minister said that this would rarely be used. The question is: it can be used at any time, and an appeal can survive three stages—the court of revision, the county judge or the board—and yet The Department of Municipal Affairs can overrule the whole thing. I just cannot understand why that should be so.

Hon. Mr. Cass: Well, Mr. Speaker, I think the hon. member for Oshawa (Mr. Thomas) perhaps has taken the words of the previous speaker and not thought for a moment about them and the Act as presented. There is no question about the excellent system of appeals from assessment *per se*. Each year that system of appeals works well, each year assessment rolls are amended and varied here and there by successful appeals.

The problem, which the last speaker, the hon. member for Oshawa propounded, could be answered perhaps by this: that in certain areas, and it is quite evident in some of the municipalities under supervision that I have referred to, certain large taxpayers could appeal their assessment. Smaller ones would not appeal it, the large ones might be successful in an appeal and be successful because they had grounds of appeal that were reasonable and which the court would see.

The other fellow, not having appealed, of course would be stuck with the assessment on a basis different from that which the court of revision or the county judge or the Ontario Municipal Board might rule on appeal to be a proper basis of assessment. Then we would have for the next year two classes of taxpayers—those assessed on one basis, on a much higher assessment, and those one or two that had enough money and were fortunate enough and smart enough to appeal and have their appeal successful because the facts backed them up. So that type of inequity, Mr. Speaker, is the kind of inequity which this is drafted to prevent.

Mr. Wintermeyer: Mr. Speaker, may I suggest to the hon. Minister that what he has said just now makes a good deal of common sense, and certainly adds to the excellence and efficiency of operation; but the phraseology of the Act is so much broader. It would suggest, Mr. Speaker, that in any instance this department is authorized by the Legislature to overrule the several judicial bodies that normally determine the assessment of a given property.

I can understand that in a given situation where one individual makes and succeeds in an appeal, that others in order to be dealt with equitably, who would, but for the fact they did not appeal, be entitled to the same remedy, should be entitled to it by virtue of the Act of the department. Now why can we not say just that?

I suggest, Mr. Speaker, that the phraseology here is so broad and so all-inclusive that understandably the Opposition is concerned to know why and under what circumstances it is limited to the illustration that has been made. I think we can phrase that particular objective clearly and in simple and direct language.

Hon. Mr. Cass: Well, Mr. Speaker, what the hon. leader of the Opposition (Mr. Wintermeyer) has said is probably quite true; but I would say two things with respect to it. One is, of course, that I am quite sure that any municipalities who have had dealings with the officials of this department of government, can rely on their common sense in being sure that it is a necessity before any action is taken. The second thing is that this does not affect any rights of appeal which now exist; and the only time that this Act, as I was advised by my advisers when this was being drawn, would come into play would not be if the ordinary appeal were successful and one man got a better deal than another fellow; it would come into play if such appeal affected the whole basis of the assessment and the taxation in that community for the coming year. Now, if the hon. leader of the Opposition has another question, I would be glad to answer it.

Mr. Wintermeyer: Well, Mr. Speaker, I do not want to labour this point unnecessarily, but let me read to you the phraseology:

Where it appears to the department that by reason of the revision or alteration of an assessment roll in accordance with a decision or decisions of the court of revision, the county judge, or the board, the roll as so revised or altered is inequitable in respect of a substantial number of persons shown on the roll, the department may order that the entire roll as revised or altered be set aside and direct a new assessment to be made by such person as it may designate.

Now, Mr. Speaker, I suggest to you that that does permit the department to interfere in any decision of any of the three judicial bodies.

Hon. Mr. Cass: Mr. Speaker, it does not empower the department to interfere any more than the present custom, which I deplore, of assessment commissioners. When an assessment has been made for the current year, and it is appealed to the county judge or even the municipal board, before that order is out, hardly, the assessor has the right, and very often exercises that right, of re-assessing, for the next year at the same figure. That could also be considered an interference with the ruling of a court.

We have no intention under this Act, Mr. Speaker, to interfere at all. The judge's order, the court of revision order or the board order will stand so far as that assessment is concerned. All that happens is that there could be a new and equitable assessment made thereafter.

Mr. Singer: Mr. Speaker, I still cannot understand—

Mr. Speaker: I think the hon. members will realize that we are going a little far, as it were, in second reading. We are getting down to details and cross-questions and so forth. I think the hon. members realize that the rules of second readings are that hon. members speak once. However, that is where hon. members can ask questions and so forth, when we are in the committee stage.

Motion agreed to; second reading of the bill.

THE ONTARIO MUNICIPAL BOARD ACT

Hon. Mr. Cass moves second reading of Bill No. 80, An Act to amend The Ontario Municipal Board Act.

Mr. Singer: Mr. Speaker, while I recognize that in second readings we generally should debate the principle of the bill, as hon. members look at this bill they will recognize that there are three separate principles. I want to address my remarks to the principle in the third subsection of this bill, that concerning the question of appeals from orders of the Ontario Municipal Board.

Mr. Speaker, I am aware of a substantial difficulty this government found itself in when it attempted to work under the old section 94 of The Ontario Municipal Board Act. An incident arose before the municipal board concerning a subdivision known as the St. Andrew subdivision.

There were long and involved hearings on the municipal level and before the municipal

board. The municipal board handed down its decision which did not meet with the approval of all of the people affected. A group of them appealed under the old section 94 to the Lieutenant-Governor-in-Council. For the first time, Mr. Speaker, I believe since section 94 or its predecessor has been in the statute books, on this occasion the Lieutenant-Governor-in-Council purported to act under the old section 94.

The old section 94 allows the Lieutenant-Governor-in-Council to act after there has been a hearing and after there has been notice. In this particular case I speak of, there was no hearing and there was no notice. Nevertheless, the Lieutenant-Governor-in-Council purported to act and an order-in-council was passed. The old section 94 allowed the Lieutenant-Governor-in-Council to approve, vary or rescind the order of the municipal board.

Notwithstanding that, sir, the Lieutenant-Governor-in-Council purported to refer the decision, or portion of the decision of the municipal board, back to the municipal board. A further hearing took place before the municipal board and it was brought to the attention of the board by the solicitor for the subdivider that in his opinion the attempted action by the Lieutenant-Governor-in-Council was invalid because it did not fall within the four walls of the old section 94. The municipal board at the request of this gentleman, the solicitor, referred the matter to the court of appeal for a decision.

Interestingly enough, Mr. Speaker, notwithstanding the fact that the Lieutenant-Governor-in-Council purported to act, and, as I think I have pointed out, acted quite improperly, there was no one from the government present—there was no one from the hon. Attorney-General's (Mr. Roberts') office present, there was no one from the law arm of the government present—to argue before the court of appeal of this province that the Lieutenant-Governor-in-Council had in fact acted legally and properly.

It is passing strange, at least, Mr. Speaker, that the Lieutenant-Governor-in-Council should act or purport to act within the terms of the statute, and when these actions are questioned before the court of appeal of this province the government did not see fit to defend the actions of the Lieutenant-Governor-in-Council. However, this is what they chose to do. Interestingly enough, Mr. Speaker, the day before the court of appeal was due to hear this questioned order-in-council the Lieutenant-Governor-in-Council had a new order-in-council rescinding the one that was

to be reviewed by the court of appeal the following morning.

Notwithstanding this, the court of appeal carried on with their hearing on the first order-in-council and it took them a very small amount of time, a very few minutes to say that in their opinion, their unanimous opinion, that the first order-in-council was completely and thoroughly invalid. In fact, one of the learned judges said that he had grave doubts about the second order-in-council but that matter was not before him and so he was not going to give an opinion on it.

Mr. Speaker, the government having gotten themselves into that difficulty, are now attempting to bail themselves out by changing that section. They acted improperly, they were not prepared to defend their action, their action was thrown out by the court of appeal, and now they are amending the section. Let us see what we have here.

At least in the old section 94 the Lieutenant-Governor-in-Council in this sort of a case—an appeal from the municipal board—was allowed to act after notice and on a hearing, and the Lieutenant-Governor-in-Council could do certain things. He could alter or vary or rescind or confirm the order of the municipal board. Now here in the first part of section 94 the Lieutenant-Governor-in-Council, without a hearing, without notice, completely unilaterally, can alter, vary or rescind. Surely, Mr. Speaker, there is something most unusual in this purported action of the government where they are taking unto themselves the right to confirm or vary or rescind an order of the municipal board without notice and without a hearing. These orders can be and are in so many cases very, very important. If there is any importance in there being an appeal from this type of an order, surely in equity and in fairness and in reasonableness, if the government is going to interfere with what has been discussed in a municipality, what has been discussed before a planning board, what has been discussed by the Ontario Municipal Board—the government's own appointed and impartial board—surely, if the Lieutenant-Governor-in-Council is going to interfere with this, he should keep in what was in the old section 94, the right to notice and the right to a hearing.

Then, Mr. Speaker, in subsection 2 of this new section 94 there is the most unique provision. I just do not understand the purpose of this at all. As I read subsection 2, every order that has ever been made by the Ontario Municipal Board for the period of six months after this Act is passed is subject to an appeal.

Every order that the Ontario Municipal Board has ever made can now be reviewed and can be dealt with by the Lieutenant-Governor-in-Council without notice and without a hearing. Surely, Mr. Speaker, this is an awful thing if the government really means what they say in this section. Surely, Mr. Speaker, the government has a duty to tell the people of Ontario why every order that was ever passed and every decision that was ever made by the Ontario Municipal Board should be open to review for a period of sixty days.

Now then, if the Lieutenant-Governor-in-Council does not act himself what happens? He is given power to require the board to re-hear the hearing on which they have already given a decision. As you know, Mr. Speaker, the municipal board already has power to re-hear on a proper motion a matter it has already dealt with. The matter comes from the municipality to the municipal board and they hear it and they give a decision.

Later if they determine that they should re-hear it and they have this power and they do, they hear it a second time. And if the people who are concerned about this still are not satisfied, they go to the Lieutenant-Governor-in-Council and he can do one of two things. He can change it without notice and without a hearing or he can say, "I am going to send it back to the municipal board and they can hear it for a third time."

Mr. Speaker, very briefly, if it is important that there be an appeal system from the Ontario Municipal Board, surely the government can do better than this new section they have before us.

This brings us to the very important principle as to whether or not there should be an appeal from the Ontario Municipal Board.

We have heard from the hon. gentlemen opposite for a long time that the municipal board is impartial, not influenced. It decides as it will in the best judgment of the very able gentlemen who are the members of that board. If this is in fact so, then why should there be this sort of an appeal system? If the government is satisfied with this sort of a system should they not give security of tenure to the members of the municipal board?

Should they not hold office during good behaviour, as the judges of our courts do, or should they continue in office merely at pleasure, as they do now? This whole idea, Mr. Speaker, suggests to me that the government is not concerned about the impartiality of the municipal board. What is going to be the reaction of the municipal board if the

government acts under sub-section (b) of section 1—and the board, having sat once or twice, now sits a third time because the Lieutenant-Governor-in-Council determines that they re-hear what they have heard and possibly have re-heard? Truly they are going to get the idea very quickly that they have no security of tenure, that the government is not very happy with what they have decided and they should do it all over again and decide in the way the government seems to indicate they should.

For these reasons, Mr. Speaker, I think this section 94 is completely and thoroughly inequitable, establishes a new and a very bad and dangerous principle, and should not be supported by this House.

Hon. Mr. Cass: May I just say that this bill will go to the committee on municipal law and at that time the hon. members will have the opportunity of discussing it.

Motion agreed to; second reading of the bill.

THE MENTAL HOSPITALS ACT

Hon. M. B. Dymond (Minister of Health) moves second reading of Bill No. 82, An Act to amend The Mental Hospitals Act.

Motion agreed to; second reading of the bill.

THE ALCOHOLISM AND DRUG ADDICTION RESEARCH FOUNDATION ACT, 1949

Hon. Mr. Dymond moves second reading of Bill No. 83, An Act to amend The Alcoholism and Drug Addiction Research Foundation Act, 1949.

Motion agreed to; second reading of the bill.

THE PRIVATE SANATORIA ACT

Hon. Mr. Dymond moves second reading of Bill No. 84, An Act to amend The Private Sanatoria Act.

Motion agreed to; second reading of the bill.

THE LOCAL IMPROVEMENT ACT

Hon. Mr. Cass moves second reading of Bill No. 90, An Act to amend The Local Improvement Act.

Motion agreed to; second reading of the bill.

THE JAILS ACT

Hon. I. Haskett (Minister of Reform Institutions) moves second reading of Bill No. 91, An Act to amend The Jails Act.

Mr. Singer: Mr. Speaker, I suppose this is the opportunity that we will have to debate the general statement put forward by the hon. Minister about municipal and county jails. I do not know whether the hon. Minister would prefer it on this bill or whether he would prefer it in his estimates.

Hon J. P. Robarts (Prime Minister): Mr. Speaker, there is an amendment coming in to actually transfer the jurisdiction and that would be an amendment to The Municipal Act. I should think that would be the place for the debate.

Mr. Singer: It does not matter, as long as we get a chance.

Motion agreed to; second reading of the bill.

THE MUNICIPAL UNCONDITIONAL GRANTS ACT

Hon. Mr. Cass moves second reading of Bill No. 92, An Act to amend The Municipal Unconditional Grants Act.

Motion agreed to; second reading of the bill.

THE PUBLIC PARKS ACT

Hon. Mr. Cass moves second reading of Bill No. 94, An Act to amend The Public Parks Act.

Motion agreed to; second reading of the bill.

METROPOLITAN UNITED CHURCH

Mr. A. H. Cowling (High Park) in the absence of Mr. A. F. Lawrence (St. George), moves second reading of Bill No. Pr10, An Act respecting Metropolitan United Church of Toronto.

Motion agreed to; second reading of the bill.

CITY OF ST. CATHARINES

Mr. E. P. Morningstar (Welland) moves second reading of Bill No. Pr11, An Act respecting the city of St. Catharines.

Motion agreed to; second reading of the bill.

CITY OF TORONTO

Mr. Cowling moves second reading of Bill No. Pr14, An Act respecting the city of Toronto.

Motion agreed to; second reading of the bill.

CITY OF OTTAWA

Mr. R. J. Boyer (Muskoka), in the absence of Mr. D. H. Morrow (Ottawa West), moves second reading of Bill No. Pr17, An Act respecting the city of Ottawa.

Motion agreed to; second reading of the bill.

ESSEX AND LEAMINGTON
PUBLIC UTILITIES COMMISSION

Mr. G. W. Parry (Kent West) moves second reading of Bill No. Pr22, An Act respecting the county of Essex, the town of Leamington and the Public Utilities Commission of the town of Leamington.

Motion agreed to; second reading of the bill.

SUDBURY, NEELON-GARSON AND
FALCONBRIDGE SCHOOL BOARDS

Mr. Cowling, in the absence of Mr. R. Belisle (Nickel Belt), moves second reading of Bill No. Pr25, An Act respecting the High School Board of the City of Sudbury and the Neelon-Garson and Falconbridge District High School Board.

Motion agreed to; second reading of the bill.

TOWN OF RICHMOND HILL

Mr. A. A. Mackenzie (York North) moves second reading of Bill No. Pr26, An Act respecting the town of Richmond Hill.

Motion agreed to; second reading of the bill.

TOWNSHIP OF WICKSTEED

Mr. Cowling, in the absence of Mr. H. C. Lyons (Sault Ste. Marie), moves second reading of Bill No. Pr27, An Act respecting the township of Wicksteed.

Motion agreed to; second reading of the bill.

TOWNSHIP OF ETOBICOKE

Mr. W. B. Lewis (York-Humber) moves second reading of Bill No. Pr29, An Act respecting the township of Etobicoke.

Motion agreed to; second reading of the bill.

Hon. Mr. Robarts moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of the whole.

Motion agreed to.

House in committee of the whole, Mr. K. Brown in the chair.

NOTICES OF MOTION

Clerk of the House: The government notice of motion No. 3 by hon. A. K. Roberts.

Resolved,

That, there shall be paid, (a) to the chief judge, an allowance at the rate of \$5,000 per annum; (aa) to the judge of the county court of the county of York, an allowance at the rate of \$2,500 per annum, as provided by Bill No. Pr62, An Act to amend The County Judges Act.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, on a point of order, should we not consider the bill section by section first?

Mr. Chairman: That is not necessary.

Resolution concurred in.

Clerk of the House: The government notice of motion No. 4, by hon. G. C. Wardrope.

Resolved,

That, the cost of establishing, maintaining and operating mine rescue stations shall be paid out of the consolidated revenue fund, as provided by Bill No. 57, An Act to amend The Mining Act.

Resolution concurred in.

Clerk of the House: The government notice of motion No. 5, by hon. J. N. Allan.

Resolved,

That, every purchaser of certain tangible personal property shall pay to Her Majesty in right of Ontario a tax in respect of the consumption or use thereof, as provided by Bill No. 86, An Act to amend The Retail Sales Tax Act, 1960-1961.

Resolution concurred in.

Clerk of the House: The government notice of motion No. 6, by hon. J. N. Allan.

Resolved,

That, purchasers of admission to places of amusement referred to in Bill No. 87, An Act to amend The Hospitals Tax Act, shall pay to the Treasurer of Ontario a tax on the price of admission in the amounts provided for therein.

Resolution concurred in.

THE DEPARTMENT OF EDUCATION ACT

House in committee on Bill No. 33, An Act to amend The Department of Education Act.

Sections 1 to 4, inclusive, agreed to.

Bill No. 33 reported.

THE AGRICULTURAL SOCIETIES ACT

House in committee on Bill No. 70, An Act to amend The Agricultural Societies Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 70 reported.

THE BEES ACT

House in committee on Bill No. 74, An Act to amend The Bees Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 74 reported.

THE CO-OPERATIVE LOANS ACT

House in committee on Bill No. 75, An Act to amend The Co-operative Loans Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 75 reported.

THE HORTICULTURAL SOCIETIES ACT

House in committee on Bill No. 76, An Act to amend The Horticultural Societies Act.

Sections 1 to 3, inclusive, agreed to.

Bill No. 76 reported.

VILLAGE OF ERIE BEACH

House in committee on Bill No. Pr2, An Act respecting the village of Erie Beach.

Sections 1 to 4, inclusive, agreed to.

Bill No. Pr2 reported.

TOWN OF HEARST

House in committee on Bill No. Pr5, An Act respecting the town of Hearst.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr5 reported.

ONTARIO CO-OPERATIVES CREDIT SOCIETY

House in committee on Bill No. Pr12, An Act respecting Ontario Co-operatives Credit Society.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr12 reported.

TOWN OF OAKVILLE

House in committee on Bill No. Pr16, An Act respecting the town of Oakville.

Sections 1 to 11, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr16 reported.

CITY OF WINDSOR

House in committee on Bill No. Pr19, An Act respecting the city of Windsor.

Sections 1 to 5, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr19 reported.

OTTAWA SEPARATE SCHOOL BOARD

House in committee on Bill No. Pr21, An Act respecting the city of Ottawa Separate School Board.

Sections 1 to 3, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr21 reported.

ONTARIO REGISTERED
MUSIC TEACHERS' ASSOCIATION

House in committee on Bill No. Pr24, An Act respecting the Ontario Registered Music Teachers' Association.

Sections 1 to 4, inclusive, agreed to.

Preamble agreed to.

Bill No. Pr24 reported.

Hon. Mr. Robarts moves that the committee of the whole House rise and report that it has come to certain resolutions and to report certain bills without amendment and ask for leave to sit again.

Motion agreed to.

Mr. Chairman: Mr. Speaker, the committee of the whole House begs to report that it has come to certain resolutions and to report certain bills without amendment and asks for leave to sit again.

Report agreed to.

Mr. P. Manley (Stormont): Will the hon. Prime Minister (Mr. Robarts) tell us what the business of tonight's sitting will be?

Hon. J. P. Robarts (Prime Minister): We will go on with the estimates of the hon. Provincial Secretary (Mr. Yaremko) and the budget debate.

It being 6 of the clock, p.m., the House took recess.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, March 12, 1962

Evening Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

THE QUEEN'S PRINTER
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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 12, 1962

The House resumed at 8:00 o'clock, p.m.

ESTIMATES, DEPARTMENT OF PROVINCIAL SECRETARY AND MINISTER OF CITIZENSHIP

(continued)

On vote 1601:

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, might I speak for just a moment before we get started? I want to straighten up a question of procedure that arose on Friday afternoon. If hon. members look at the order paper, they will note that order No. 18 is the consideration of the report of the Liquor Control Board of Ontario for the year ending March 31, 1961. I put this order on the paper to have a vehicle for debating liquor, and anything hon. members choose to debate concerning it, in the House. This will not be called this week but I will feel free to call it any time after the end of this week.

Mr. D. C. MacDonald (York South): Well, Mr. Chairman, I want to congratulate the hon. Prime Minister (Mr. Robarts). I think this is the obvious solution to this problem. It is the one we resorted to with the Hydro commission. I think it is the tidiest way to handle the problem of debate on the liquor commission too.

I need not say, Mr. Chairman, that the debate on these estimates has been most unpredictable and has covered many fronts. We find ourselves switching back and forward, but I want to go back to what is one of the main aspects of this department's work prior to the injection into it of the citizenship work. I am referring to the incorporation of companies and problems relating thereto.

Now my colleague, the hon. member for Woodbine (Mr. Bryden) raised in the House here what I think is, to any serious-minded citizen in this province, an increasingly disturbing problem, and that is the number of occasions in which the public becomes aware of the grossest kind of irregularities or exploitations by companies, often leading up to eventual bankruptcy. Some of the principals involved disappear, and apparently nothing can be done about it.

My hon. colleague suggested that there should be some tightening up of the Act and particularly that there should be some more stringent supervision and regulation by the department which establishes these companies. I will have to congratulate the hon. Minister, he gave a very smart political reply because the hon. member for Woodbine made the argument that, instead of permitting one person in reality to set up a company—because all he has to do is bring in an aunt, an uncle, a brother or sister or mother, any two others and set up the necessary three directors—the rights of incorporation of a company should be restricted to a greater number of persons. The hon. Minister construed this as restricting this privilege of setting up a limited company for big corporations and the little fellow was going to be deprived of it and he gave a very smart political speech.

I want to come back to this, Mr. Chairman, because I was thinking about it over the weekend, particularly when I had an opportunity to discuss related problems with farmers and trade unionists. I say related problems because in my view what this Legislature does through the department of the hon. Provincial Secretary (Mr. Yaremko) is actually to delegate certain powers when it incorporates a company. It grants to an individual, along with other individuals, the right to set up a company which limits personal liability. It thereby creates a new personality—if I may use that term—the company itself.

It is true that this company has to report periodically to the hon. Provincial Secretary's department, but anybody who examines the files will very quickly be reminded of the fact that these reports are not necessarily done when the law requires. When The Department of the Provincial Secretary reminds them of their laxity in not reporting at the end of each year, this is sometimes ignored and it goes on for a year or two and on occasion after some time, The Department of the Provincial Secretary then proceeds to the point of withdrawing the charter from the company.

What strikes me, Mr. Chairman, as rather interesting—since this government would

claim that it was administering the law evenly to all groups in the community—is to pause for a moment and consider the laxity with which this government deals with the supervision and the inspection, if you will, of the exercise of this delegated power when it goes to a limited company, and the growing concern that this government manifests in the delegation of power that it makes—for example, to a group of workers who establish a trade union or to a group of farmers who establish collective bargaining through a marketing scheme.

As a matter of fact, a year or two ago this government became so exercised at what farmers might do in using the power that was delegated to them, that we passed Bill No. 86 which now makes it possible for the government to intervene in the day-to-day operation, dictating the amount of money farmers will raise, dictating the amount of money they will spend—or at least making it subject to supervision—even making it possible for the government to step in and establish a trusteeship.

There is certainly a growing pressure from certain quarters that there should be increasing intervention in the exercise of power that this Legislature delegates to trade unions. Now in contrast to that, I ask the House to consider for one moment what goes on with regard to companies. There is the grossest kind of laxity. I invite, for example, hon. members of this Legislature some time to read through the transcript of the Royal commission which investigated the Dimensional Investments in that so-called Hydro land deal with the Indians in the Sarnia area. We had the most incredible operations of companies, behind the front of a company, once it had secured the charter—not living up to the law at all.

And, of course, the most striking example is the one that was drawn to the attention of the House in some detail just a week or so ago by the hon. member for Dovercourt (Mr. Thompson), this so-called Piggyland scheme up in the Sunderland area, incorporated as the Associated Livestock Growers of Ontario.

Now, hon. members, who may have doubted some of the brief exposition of what this company did when the hon. member for Dovercourt referred to it last week, will have had an opportunity in last Friday's or Saturday's *Toronto Daily Star* to read a full account of this company's operations in Pierre Berton's column. It is just a factual presentation. Yet, without going through the whole detail of it, the incredible thing here, Mr.

Chairman, is this, that here was obviously the shakiest kind of financial arrangement. When a certain Mr. Baun came in to operate the scheme, he came to the conclusion that they were "selling non-existent pigs for vastly inflated prices." The company was guaranteeing astonishing profits—a net of \$300 a year on an investment of \$500—"enough to make any real pig farmer rub his eyes in disbelief," says Pierre Berton.

But then, on through the column—and I am not going to take the time of the House to list them—there were five or six attempts on the part of this man who, for a short time, was managing the farm and discovered it to be the most flagrant kind of swindle; five or six efforts on the part of this man to arouse the police, papers, radio stations, The Department of Agriculture. What really amazes me is the only place he did not go was the hon. Provincial Secretary's department. I am almost persuaded that they knew that was futile and would not achieve anything.

But here is a man operating—and we are told repeatedly through Pierre Berton's column—legally, and yet he swindles, inside a year and a half, something like \$1.8 million out of a public who were led to believe the whole scheme was sound by papers in whom they had placed their confidence. In spite of the evidence, the police and all of these other responsible people would not act.

If you wanted any more proof, Mr. Chairman, that The Companies Act and its operation, and the granting of charters without some more adequate supervision and inspection of what goes on once you have granted that power, surely it is most conclusively set forward in this most recent case.

I wonder whether the hon. Provincial Secretary (Mr. Yaremko) can be persuaded not to get up and give us another little speech saying that he is defending the little fellow who wants to get incorporated and have a limited liability and he is not going to restrict this privilege to the big fellows, or whether I can persuade him to share with the House his thinking, his worries—I cannot believe that he has not got some worries—as to what is the legitimate responsibility of government which grants charters through his departments—to see if we cannot bring some end to the kind of thing that went on in the Piggyland deal, or was revealed by the Royal commission in the Sarnia deal.

I ask the hon. Minister whether he has had any sober second thoughts after the weekend, now that he has unburdened himself of

the political aspects of it, as to what, if anything, he thinks might be done to avoid this kind of abuse and exploitation of the public under the guise of a charter that he grants?

Hon. J. Yaremko (Provincial Secretary): Mr. Chairman, I am delighted to know that the hon. member, leader of the NDP group (Mr. MacDonald), has evidently had some second sober thoughts over the weekend as opposed to the hon. member for Woodbine (Mr. Bryden).

Mr. Chairman, in relationship to the returns that are required under The Corporations Act, the law of the province of Ontario, at present 87 per cent of the corporations whose names we have on our records file returns. In 1959 there were 52,590; in 1960, 53,000; and in 1961, 55,000. A number of years ago, approximately half a dozen, the companies division was in a position to start clearing their files of companies who had not filed annual returns. In accordance with the law, the Provincial Secretary has the discretion to cancel for failure to file returns after a period of three years. In the year 1956 there were over 2,700 such cancelled; in 1957, 1,700; in 1958, 1,000; in 1959, 2,100; in 1960, 2,600; and last year, 3,800; for not complying with the law. That is the way that is being administered.

I bring to the attention of the House, Mr. Chairman, that the marketing schemes, once they are in effect, are compulsory; whereas so far as companies are concerned it is completely voluntary on the part of the individual whether he will participate in a private corporation or in a public corporation. The task of looking over the shoulders of some 60,000 or more companies in the province of Ontario, to police them on the part of The Department of the Provincial Secretary, would be, I suggest, a task of money and time and effort which would outweigh the abuse by a limited number of individuals through the corporate scheme.

The laws of the province are stated in The Corporations Act at present. The matter was reviewed in detail by a select committee of this House who devoted, I believe, some two or more years to the study of the Act. We are in continuous study of the Act to bring it up to date. As the hon. member will recall, we introduced legislation in this House, last year, that would require the immediate return to be filed in respect of change of directors, in addition to returns to be filed in respect of the redemption of shares.

Because publicity is given to the fact that

people have made some abuses, these abuses are not necessarily brought about by reason of the fact that they are incorporated.

There is nothing to lead us to believe that this man who had the Piggyland scheme would not have done exactly the same, not having been incorporated. The same thing applies where other people do not, for example, pay unemployment insurance or vacation with pay. The same circumstances, the same thing, could apply even if the persons were not incorporated. The fact that there is a corporation does not necessarily give any added protection to the individual except in the limited liability aspect; and to do away with the limited liability aspect for all corporations, in order to prevent the abuse by the very small number, I think would be setting back the commerce and industry of this province over 150 years.

Mr. MacDonald: Mr. Chairman, I am not going to pursue this very much longer except to say that I am not completely satisfied that it is not possible, through changes in the Act, to have more stringent regulations which would close the door somewhat to the kind of abuses that we hear of frequently. That is one aspect. The second aspect of the problem, even more shocking, is that, even when people go out of their way and spend a good deal of time and effort to try to bring gross violations to the attention of authorities, they do not seem to be able to get action. This is what we had here in the instance of the Piggyland deal, and in the instance of the—maybe not in the hon. Provincial Secretary's department, I will concede, because, as I said, I do not think they ever came to his department; they seemed to go to everybody else.

However, the other aspect of the question is that if they cannot get response from the authorities when a situation is brought to their attention, then it seems to me that there is great laxity; the administrative functions do not roll into action even when they are drawn to their attention.

The hon. Minister pleads that they cannot have people looking over the shoulders of 60,000 companies. Suppose I accept his argument that for the moment nothing can be done. Why cannot he get action when people do draw to his attention gross inequities and exploitation in this instance?

If I may go back to the one he cites about people, incorporated or otherwise, who violate laws and do not give holidays with pay and unemployment insurance and things of this nature; that was rather a poor one

to raise, because once again this is the kind of thing that was drawn to the attention of this government before a select committee and the government refused to do anything about it. Two years later they reaped the consequences of their failure to act in the kind of explosion we had in the construction industry this past year.

However, I have drawn it to the attention of the hon. Minister once again and I suggest we cannot tolerate this kind of thing happening as frequently as it does without examining whether or not there is not a possibility for tightening up the Act somewhat more than is the case at the present time.

Hon. Mr. Yaremko: Mr. Chairman, I just want to say that since I have been Provincial Secretary there is no complaint that has been brought to my attention in relationship to corporations that I have not gone into. Some hon. members have on behalf of their constituents brought certain matters to my attention. If we have had power under the Act we have acted under the Act; and if we do not have the power we have used our good offices to see that the source of complaint was attended to.

I am sure that in complaints to the Deputy Provincial Secretary, whose service goes back many years, knowing the man that he is, I cannot conceive of him or the previous Provincial Secretaries not having acted on the complaint.

The hon. member for York South (Mr. MacDonald) has gratuitously stated that the making of a complaint would be "futile." I suggest to him that perhaps the mistake was that they did not come to us, because they would either have received satisfaction from us or they would have been directed or advised what steps to take in this regard.

Votes 1601 and 1602 agreed to.

On vote 1603:

Mr. V. M. Singer (York Centre): Mr. Chairman, on vote 1603. Insofar as I have been able to ascertain this is about the only place in the estimates that we can discuss generally, I hope, the question of electoral laws and redistribution and that sort of thing. You will recall, Mr. Chairman—

Hon. Mr. Yaremko: On a point of order, Mr. Chairman, this matter was threshed out in this Legislature either last year or the year before and it was ruled by the chairman of the day that the discussion on these matters did not come in the estimates of the

Provincial Secretary, that there was ample opportunity in the Throne speech and in the budget speech, for debate on these things. In this instance there will be also an opportunity on the motion that the hon. leader of the House, the hon. Prime Minister (Mr. Robarts) has in respect to the announcement he made in connection with redistribution.

Mr. Singer: Mr. Chairman, I do not know whether it is a government policy to stifle the sort of interchange that we can have only on estimates and say that this kind of a discussion is out of order.

Hon. Mr. Yaremko: Mr. Chairman, on a point of order!

Mr. Singer: The hon. Prime Minister introduced this bill.

Hon. Mr. Yaremko: Mr. Chairman, my point of order is that there is no thought—

Mr. Singer: If we are not allowed to discuss this with some responsible Minister, then we are being muzzled, Mr. Chairman, and—

Hon. Mr. Yaremko: —there is no thought of stifling it, there will be plenty of opportunity during the course of this Legislature. If the hon. member will only familiarize himself with the rules and procedure of this House he will find ample opportunity.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, I would point out that the ruling of the prior Chairman is in no way binding on you. I simply suggest, unlike the ruling of the Speaker, that you are quite free to make a ruling in your good discretion. I hope that you would do that.

Mr. Singer: I am talking about the election officer. Is there anything more vital, Mr. Chairman, to the welfare of this province than proper election procedure? If we cannot discuss it under the heading, chief electoral officer, where then can it be discussed?

An hon. member: Go ahead!

Mr. Chairman: I rule it out of order, the same as the previous Chairman.

Mr. Singer: Out of order?

Mr. Chairman: Yes!

Mr. Singer: For what reason?

Mr. Wintermeyer: You must give some reason, Mr. Chairman. We are in no position to determine whether to challenge your ruling.

Mr. Chairman: The ruling is the same as that of the previous Chairman.

Mr. Wintermeyer: Well, that is no reason, Mr. Chairman.

Interjections by hon. members.

Mr. Chairman: It is out of order.

Mr. MacDonald: Well, Mr. Chairman, I have one—I do not know whether this is in the same category, I will have to bow to your ruling—but I wanted to get some clarification on an issue that comes under the chief electoral officer who is responsible for the publication of the official results of each general election.

The point I want to draw to the attention of the House is this: the hon. members and the public will recall reading during the by-election in Kenora public discussion of the strange developments when, in the last two elections there, in a number of polls that happened to be predominantly polls in Indian reserves there was almost a unanimous vote in favour of the Conservative. I am not going to go through the whole detail of this in terms of the unanimous vote but there is one that I would like to draw to the attention of the House.

Mr. Chairman: Order. This is the same as the previous one.

Mr. MacDonald: Oh, Mr. Chairman, just a minute, let me point this out and you can take it up next. There is nothing scheduled for the order paper which will permit us to discuss the publication of the election results which are the responsibility of the chief election officer—nothing at all. Now, why can it not be raised at the present time?

Mr. Singer: Is the government afraid to have this sort of thing discussed publicly?

Mr. MacDonald: Exactly. This has nothing to do with future election procedures. What is your ruling, Mr. Chairman?

Mr. Chairman: It is out of order.

Mr. MacDonald: Out of order? For what reason? May I ask, Mr. Chairman, for what reason?

Mr. Chairman: Go ahead then.

Mr. Singer: Mr. Chairman, I rise on a point of order now.

Mr. Chairman: Order.

Mr. Singer: Am I in order now, Mr. Chairman? Thank you. Well now, Mr. Chairman, I am very happy to find that I am now in order, so let me get on with some of the things that bothered me about the election laws of the province of Ontario.

When the hon. Prime Minister (Mr. Robarts) introduced the bill about redistribution, I attempted to compliment him at that time, but was ruled out of order, so let me say now that I do compliment him.

Hon. Mr. Robarts: I did not introduce the bill, I only made a statement of intention.

Mr. Singer: Oh, the bill has not come in yet?

Hon. Mr. Robarts: No.

Mr. Singer: Well, when the hon. Prime Minister made his statement, I complimented him for enunciating the principle and I look forward to seeing the bill. But I think, Mr. Chairman, there is a very serious problem other than the mere statement of the principle. The principle was expressed by us with a resolution standing in my name, but I think it is most important that some real consideration be given to the terms of reference which are going to be given to this independent commission.

I think something of the utmost importance has to be determined in ascertaining whether or not one rural vote should be the same as one urban vote. Is it reasonable and fair that some members should represent four or five times as many constituents as other members? Is it reasonable and fair that some urban ridings be a third of the size, in population, of others?

Should there be any sort of a balance? Should there be the sort of proportion that the hon. member for York South (Mr. MacDonald) talked about last year, as they used in Manitoba—7-to-4, I think, is the ratio? Or should there be some real representation by population? That sort of thing is most important and I hope when the bill comes in there is some form of direction to this independent commission.

Then, Mr. Chairman, as we have been discovering, there are great and serious inequities in the electoral laws of the province. The question of expense is a very serious matter. Recently, in the province of Quebec, the government introduced certain legislation which makes an effort to get at the whole question of electoral expenses. Should there be limits on how much an individual candidate can spend in an election? Should the

government on behalf of all the people of Ontario dispense certain monies, so much a voter? Should there be a closer and better system of determining whence come donations; a better system of reporting these things?

In a recent by-election, a couple of which resulted in recounts, it was very disappointing—a great number of people disenfranchised themselves because they put ticks on the ballot instead of crosses. Surely it would seem reasonable and logical today that if a voter has indicated his intention, whether by a tick or cross or in any way that can be readily ascertained, that his vote should be counted rather than not counted.

That sort of thing is of substantial importance. Might there not be some very substantial value in insisting that there be, on the ballot, the political allegiance of the various candidates, if they choose to put that political allegiance on the ballot?

Surely that would be a substantial help?

The whole question of scrutineers being part of the electoral machinery—should scrutineers not be regarded as a permanent part of the electoral machinery? Should the government not pay for the hiring of scrutineers, representing various parties, on election day?

I think it is most important, and my hon. leader was enunciating this same principle on Friday last when we were discussing another matter—the expense of people staying in public life, the very fantastic expenses that can be incurred in elections. It is important that we have a real democracy where people, notwithstanding their financial ability, are able to stand for public office. And I think it is incumbent upon the government and all of us here to come forward with some sort of suggestions to reorganize our electoral laws, which really have not been substantially changed for many, many years.

Is our system of enumerating the best system? Or might there not be a permanent system of registration?

An hon. member: How many hundreds of thousands has the hon. member spent?

Mr. Singer: I have not added it up. A very serious question again indeed, Mr. Chairman. As you know, we have various types of elections under the provincial law. We have the provincial elections; we have votes under The Liquor Licence Act—the laws seem to be different. I know that in recent recounts under The Liquor Licence Act the judge conducting the recount came to the conclusion

that you could mark the ballot with a tick in that particular election, but on a recount in the provincial election a different judge came to the conclusion that only a ballot marked with an “X” was correct.

Then we have municipal elections. Surely, Mr. Chairman, it would make some good common sense if we only had one set of election laws for municipal, provincial and other elections, such as elections under The Liquor Licence Act. Then there is the question of the term of office for a returning officer—is it reasonable? And there are certain bills on the order paper, private members’ bills, trying to get at this problem of when by-elections should be called. The government is taking refuge—they are not the first government to do it—but they have taken refuge in the fact that there is no one to whom the writ can be issued, because there is no returning officer appointed.

Hon. Mr. Robarts: We called the by-elections.

Mr. Singer: Yes, this administration did; but the previous administration was reluctant to call the by-elections, and there is no time limit. Does it not make some reasonable sense, Mr. Chairman, that after a riding has been vacant for a certain length of time—a month, two months or three months—that it should be mandatory that a by-election be called?

Hon. Mr. Robarts: The hon. member should not complain.

Hon. Mr. Macaulay: When the hon. member was in office he left one three years.

Mr. Singer: The hon. Minister of Energy Resources (Mr. Macaulay) keeps on throwing things at us that happened from 1943, on back to the year 1934. None of us here, except my hon. friend from Grey South (Mr. Oliver), was a part of that government, and frankly the rest of us here were even too young to vote when all of these things took place.

I am not standing here, Mr. Chairman, to defend the actions of the Hepburn government. We are standing here to criticize honestly and fairly the actions of this government.

All of these things, Mr. Chairman, are things that I think demand the government’s most serious and immediate attention. Another question that comes up is a little game that is being played now in Ottawa. Is there going to be an election in May or June or April or September? Might there not be some very great merit in saying that an election

must come every four or five years, and it must be on the first Monday of such and such a month.

Mr. Chairman, to get the best form of democratic government that is available, the sort of things that I have dealt with very briefly I think demand immediate examination. I appreciate the fact that I am able to talk about this tonight. I have tried to talk about it at previous times and I would like very much to get the reactions of the hon. Prime Minister (Mr. Robarts) to this type of suggestion. I would hope that the hon. Prime Minister would be prepared to say he is going to appoint a select committee or an independent commission to thoroughly investigate these things and bring in some real amendments to the election laws to make the running of elections the most equitable and democratic that they can possibly be in this province.

Hon. Mr. Robarts: Mr. Chairman, I can only say that I do not object to this matter being discussed here. I do not think it is necessary to be discussed but I do not object to it. However, in view of the fact that I have given the House some indication of what we propose to do and it will be debatable when it is brought in, I will save my comment for that time.

Mr. MacDonald: Mr. Chairman, I would like to support the conclusions of the statement of the hon. member (Mr. Singer) who has just taken his seat. Without reviewing all of the points he has raised, some of which I would agree with very much and some of which I would disagree with, and there are others that I think can be added, it seems to me that all of these issues raise the advisability of establishing some sort of a body that can look at The Election Act itself. I think I am correct in stating that the last time we had a redistribution, which was done by a committee of this Legislature, a procedure which we are now going to forsake in favour of an independent commission—that is fine, but the whole question of what amendments should be made to The Election Act, I submit, might be the subject of discussion in this House. Inevitably we are going to have to come to grips with it in a workmanlike way; it will have to be in some sort of a committee. Therefore I would reiterate, along with the hon. member for York Centre (Mr. Singer) for the consideration of the hon. Prime Minister (Mr. Robarts) either now or later when he introduces the matters of the House, whether or not he is considering establishing a com-

mittee of the Legislature that will take a look at least at The Election Act, even though the redistribution is handed over to an independent commission.

The specific point I would like to raise with regard to the report is: one can speculate as to why all these unanimous votes or near unanimous votes took place in the last two elections on behalf of the Conservatives in certain areas in Kenora.

Mr. A. J. Reaume (Essex North): What does the hon. member think?

Mr. MacDonald: The hon. member can speculate as well as I can.

However, there is one, Mr. Chairman, that I think something more than speculation—you do not need to speculate on it. There is the poll in the 1959 election in Bearskin where, when the votes were counted, there were 103 for the Conservatives, there were none for the CCF, there were 6 for the Liberals, for a total of 109; and yet when you look further you come to a column that says the number of names on the polling list was 99. Now that really lets the cat out of the bag. I have had the argument advanced that this was because more names were put on the voters' list on election day but I find this just a little bit difficult to take.

Hon. R. W. Macaulay (Minister of Energy Resources): Will the hon. member (Mr. MacDonald) mind the observation that it is quite possible to have people added to the voters' list, who have been left off, if they are vouched for at the voters' poll? Did the hon. member know that?

Mr. MacDonald: Mr. Chairman, if the deputy Prime Minister had not just bounced so quickly—he was taking the words right out of my mouth. I know this argument has been advanced—that there were names added to the voters' list. But I would draw to the attention of the deputy Prime Minister that this is the official report of the general election published months after the general election took place, and I find it just a little incredible that the names which were added on election day would not have been included on the voters' list and therefore in the official results.

Hon. Mr. Macaulay: No, they are not.

Mr. MacDonald: Well, I submit, if they did not, it is time we approached this a little bit differently. The voters' list is made up of the names that were put on the voters' list before election day and, obviously, those

who are added at election day. Mr. Chairman, I can recognize that this is the only way the government is going to be able to get itself off the hook on this and I would submit that, in future instances, when you have a permanent record of the number of people who had the right to vote in that area you should include at least those who not only had the right to vote but did vote. And their names should be on the record.

However, I will leave the matter there, with this final observation—that I am not persuaded, Mr. Chairman, that the kind of thing of which there is such widespread suspicion with regard to the Kenora riding is confined to the Kenora riding. It is just possible that on some future occasion I will be able to document it, but until that future occasion we will have to leave it.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, since the hon. member for York South (Mr. MacDonald) has raised this very vexing problem, the hon. leader of the Opposition has urged me to make known to the House my personal knowledge of this matter, and I should like to take the opportunity to do so. I observed, when I was journeying up to Kenora, this phenomenon in the returns of the general election in 1959. My research took me back to the election of 1955 and I saw that a quite similar phenomenon had occurred; and, as the hon. Minister of Mines (Mr. Wardrope) said today, indeed it is a big province. I do recall getting on the train at one in the morning in Sudbury and at 9 a.m. I was only at Hornepayne; and there at Hornepayne, when I entered the dining car to have breakfast, I met the smiling and benign countenance of that very ingratiating and affable fellow, the hon. Minister without Portfolio from Huron (Mr. MacNaughton). I think he was going on a skiing weekend somewhere, and he and I journeyed westward all day in this large province.

At 5 o'clock I got off the train at Sioux Lookout, having discovered that the hon. Minister without Portfolio was not very good at cribbage and even worse at gin rummy. He went on to Minaki. However, I felt it incumbent upon me to pay a visit to the returning officer, an Irishman by the name of O'Flaherty, who had performed that task in 1959 and I am not sure whether in 1955; I inquired what steps had been taken to enumerate the Indian vote in the nine polls to the north of Red Lake, starting from the farthest north at Bear Skin, Trout Lake, Pigangikum, Trout, Deer and Sachigo Bay, Lac Seul, and he told me that as of that

date—and I think that was somewhere just after Christmas—they had not yet enumerated more than one or two.

I queried from him who was doing the enumerating and I was given the name of a man called Green. His name cropped up all over the place after that time—George Green of Red Lake. And I made inquiry—I had made inquiry previously and here is the important point, where I intend to wax very serious to treat a very serious subject. I had inquired about police services, rescue work and any other type of thing that required the use of aircraft, and was told that, universally, The Department of Lands and Forests had provided any aircraft services that were required in those Indian reservations. I inquired of Mr. O'Flaherty why the services of The Department of Lands and Forests were not used to enumerate the Indian vote and in fact to take in the ballot boxes, the election officials and generally to supervise the taking of the vote.

At this point I must say, as a result of correspondence between myself and the chief election officer, Mr. O'Flaherty and I appeared to disagree. However, I think I may be supported by another person who was with me that at the time Mr. O'Flaherty told me, in words that were not subject to any equivocation or ambiguity, that he had been instructed to give the job of the enumerating and taking the vote to Green by the local Conservative organization.

An hon. member: He had done it before and had done a good job.

Mr. Sopha: Yes, exactly. Now just pursuing the research a little further, I made the chief election officer acquainted with these things; just pursuing the thing a little bit further I got in touch with The Department of Lands and Forests officials and ascertained from them that all during the time of the by-election, the enumeration, and the taking of the vote, there was available at Kenora, one Otter aircraft—I believe capable of flying six to eight persons. There was, at Sioux Lookout, a Beaver aircraft, I believe capable of flying an almost equal number of persons. Both were equipped with skis ready for winter flying, and I was told by The Department of Lands and Forests officials that there was no reason in the world that the aircraft could not be available and the necessary personnel be assigned to doing that.

However, in the result we were not too unhappy. The Indians must have been somewhat influenced by our cries for justice, impartiality, fairness, honesty and integrity,

because in the result—my hon. friend from Kenora will corroborate me—the Indians voted 276 for Gibson and 272 for Robertson.

Now there was just one other thing and that will sum up the—

Hon. A. Grossman (Minister without Portfolio): I guess that enumerator was not a Tory; he must have been a Liberal.

An hon. member: That is the end of Green.

Mr. Sopha: Of course, I do not use this place as a forum to make any allegations against Mr. Green at all. I think from the point of view of appearances that in the future it would be much better if an independent person, or The Department of Lands and Forests aircraft, were used, and that such things appear to be done fairly.

Just one other thing, one unusual feature of the Kenora by-election that falls within the purview of the chief election officer. Apparently the name of the Conservative candidate at that time—and I speak only now from the point of view of the nicety of the language and doing things with elegance—his initials were A. R., I think, B. K., or something; but for many years I think, even unknown to his mother, he had been called “Pete.” But nowhere in his Christian names, those names assigned to him, and I suppose registered with the Registrar of Vital Statistics, is there the name Peter, Pierre or Pedro or Pete. He was known throughout the length and breadth of the districts of Kenora and Patricia as “Pete”, and it was the name “Pete” that he insisted on putting on the ballot paper.

Now we had a little argument about that, and messages by radar, radio, telegram and letter flew back and forth with the chief election officer, and I think the chief election officer was got out of bed one night to make a decision about whether he could be identified as “Pete” on the ballot paper, and the chief election officer ruled that he could be.

My plea is this: if we allow a man to put the fairly respectable nickname of “Pete” on the ballot paper when that is not his name, where is it going to stop? Some men might, by their wives, be called “Peaches” or “Snuggles.” I think I looked up the section of the Act at the time and it says that the candidate’s name shall be put on the ballot paper. Well, his name is his legal name, not some of the names his wife calls him, but his legal name. And I would urge upon the chief election officer in the future that these nicknames—that is a great Americanization, you know, to be an American wheel nowadays you have to have a nickname; you

have to be called, well, there are all sorts of names—but we should not allow those creeping Americanizations to infiltrate into this British land.

Votes 1603 to 1607, inclusive, agreed to.

Hon. J. P. Robarts (Prime Minister) moves the committee of supply rise and report it has come to certain resolutions and asks for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Resuming the adjourned debate on the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee of ways and means.

THE BUDGET

Hon. T. R. Connell (Minister of Public Works): Mr. Speaker, mine has not been the most frequent voice heard in this House over the past ten years although three times in this past week is somewhat of a record for myself, and I trust that in rising tonight to take part in this debate I will not add to your problems in the delicate task of controlling the decorum of this House. It may be that some of the hon. members opposite will disagree with some of what I have to say. This is as it should be, but I feel that such disagreement should be based on legitimate difference of opinion, and not, as it all too often seems to be, based on a certain penchant to be disagreeable.

I have heard, both inside this House and outside, the claim either stated or implied, that this is an old government. To hear some speakers on this subject, one would think that hardening of the arteries had set in along the Treasury benches. This is very amusing to me when I think that there are only 22 hon. members on either side of this House who were here before the general election of 1951, when the voters of Hamilton-Wentworth sent me here.

There are only five Cabinet ministers who were in the House before that time, and another eight members of the Cabinet entered this House at the same time I did.

We approach the twentieth year of good

Conservative government in Ontario, but we approach it with only two Conservative members who sat in the House before 1943, and another half dozen who entered the House in that year.

According to my rough calculations, the average age of my colleagues who are directing the operations of this government's departments is just a shade over 51 years. How many large companies could boast such a young management team? Some may have a president in his forties, but you will usually find a chairman of the board in his seventies.

Although I happen to be some 40 days older than the chairman of this board, at 45 years of age, I am looking forward to quite a few years before I take to the back fifty.

All of this may seem like a roundabout way of introducing my remarks, but I think it is worthwhile when marking anniversaries, or thinking about the end of the Frost era and the start of the Robarts regime, to look backward as well as forward. After ten years in this House, I cannot help but be impressed by the great changes that have taken place not only within the House but in the province.

This Parliament, as are all parliaments, is always changing, and yet always the same. When I came into this House, I was struck by the way in which the hon. members represented such a thorough cross-section of Ontario. Many of the faces have changed, and yet I feel that that representation is still here.

It has been some years since I have taken the opportunity to say something about Hamilton-Wentworth and some of the problems it has faced and is facing. I shall leave the broad field of municipal government to my colleague, the hon. Minister of Municipal Affairs (Mr. Cass), and shall deal primarily with the one nearest home—the town of Dundas.

I would like to make it clear at the outset that I am not seeking to take any personal credit for the way Dundas has grown. Much of my information comes from the office of the industrial commissioner, J. C. Don, who has done an excellent job of making the advantages of the town of Dundas known far and wide.

The story of Dundas is typical of many towns and cities that have boomed in the past decade. The area of the town has just about trebled through annexation and the population has jumped from 6,787 in 1951 to 12,790 last year.

I was very interested in the recently published population figures for the province,

showing the growth over the past ten years. The census showed there were 6,236,092 persons living in Ontario last year—an increase of 35.6 per cent since 1951. The increase in Dundas' population was something over 88 per cent.

As I said, much of the growth of Dundas was due to annexation, but it is interesting to note that its growth was more than twice as fast as that of the whole province.

Taking the growth from another angle, the total assessed value of all property in Dundas was less than \$5 million, and the industrial and commercial portion of this was a little under \$1.8 million, ten years ago. Last year, the assessment had jumped to more than \$18 million, or some three and one half times as much as it had been a decade earlier, and the industrial and commercial share of this assessment had exceeded \$5.25 million.

It is the opinion of some municipal experts that a desirable balance in assessment in a community is roughly 60 per cent residential and 40 per cent industrial and commercial. The above statistics I have quoted for the town of Dundas show a similar picture to what has happened in all too many communities across the province—the percentage of industrial assessment has dropped from 36 in 1951, to a shade under 30 last year.

This trend was reversed last year, with the ratio of increase in industrial assessment being greater than that of residential. A large part of this credit must go to the town itself which established an industrial commission in 1957. Since then, a number of new firms have established in Dundas. I will cite a few names, only to show the variety: Canada Dry Ltd.; Screen Craft Processors; Wentworth Cut Stone; and Knight Industries—among 13 new industries that were established in Dundas recently.

As I said a few moments ago, last year established what we hope will become a trend—the increase of industrial assessment at a more rapid rate than residential assessment. This is a great credit to the local administration.

It has been obvious to anyone who has been observing the Ontario scene for any length of time that the Metropolitan Toronto area has been attracting more than its fair share of industrial and commercial assessment.

I do not know why some municipalities seem to be obsessed with the idea of bigness, and I always get a laugh out of the grudging way in which Toronto admits that Montreal remains Canada's biggest city and shows no signs of losing its lead.

From the number of problems that Metro presents around here, I wonder that the area politicians do not try to solve some of them by discouraging growth instead of encouraging it. I hope Hamilton and Dundas never get one of these growth complexes and start wanting to be "Number One."

In any case, Dundas has been engaged in the same fight that many other small centres next door to large centres have been in.

Thousands of people want to live in the smaller centres but, until recently, all too few industries have been wanting to locate there. The trade and industry branch of The Department of Economics and Development and its predecessors have been assisting, but the magnet of Metro is too strong for most firms to resist.

However, the province has not been sitting idly by. In 1951, provincial grants to Dundas amounted to \$81,921; in 1960, these grants had spiralled to \$479,344.

For all of Wentworth county, grants in 1951 amounted to \$3,466,061, while in 1960 they totalled \$13,154,858.

For Dundas alone, the provincial grants in 1951 amounted to about \$12 per person; in 1960, the population had almost doubled, but the grants had still gone up almost six times, to leave the grant per capita at about \$37.50.

In other words, provincial grants reduce the municipal taxes in the town of Dundas by \$150 per year to the head of the average family of four. This is compared to less than \$50 that those taxes would have been reduced just 10 years ago.

I shall not go into the welfare and education grants which have eased the tax burden so much, but will leave those fields to other speakers.

Of course, the best way to distribute wealth evenly is through providing equal opportunity to earn, rather than distributing handouts from a central tax source. This government has done an excellent job of redistributing wealth between communities in the form of grants, and has made a start toward distributing the earning power of municipalities through encouraging industry to locate in smaller centres.

I believe it is a goal that can never be reached—the smaller centres can likely never have a relatively equal tax base—but the imbalance can be reduced. This represents a challenge both for the hon. Minister of Municipal Affairs (Mr. Cass) and the hon. Minister of Commerce and Development (Mr.

Macaulay). If our new economic council does nothing else, encouragement of new industry to locate in the smaller centres throughout Ontario would be a major accomplishment.

I would like to turn now to the work of The Department of Highways in Wentworth county, and before I go any further I would like to endorse what many other hon. members have said in welcome to the new hon. Minister of Highways (Mr. Goodfellow) to his portfolio, and in thanks to his predecessor for a job well done. Of course, I have done this privately with both men concerned, but it is not too often that a Cabinet Minister has a chance to do this publicly.

Hamilton has long been the first large city that many visitors from the United States encounter when they come to Canada. There will be more in the near future, with the completion of the bridge at Lewiston, the new highway linking the New York State thruway with the Queen Elizabeth, and the new skyway at Homer. The Burlington skyway has become an accepted part of our landscape now, but I never cease to marvel at the engineering feat and the smooth traffic flow. You would have to have lived in the Hamilton area to fully appreciate what this skyway has meant to us.

Construction of this bridge accounts for a large chunk of the astonishingly high total expended by the provincial government in the Hamilton and Wentworth area. I say astonishing because I was almost floored when I obtained up-to-date figures on what had actually been spent here.

I hasten to assure the hon. Minister of Highways that I am not complaining about his department spending too much money in the area that is nearest my heart. In fact, as I drive around the area, I can see where a lot more money can be spent to good advantage. However, it is amazing that in an area which is among the oldest in the province, our dependence on motor vehicles is such that we must still spend such large sums to prevent the area's economy bogging down in one large traffic jam.

Only six-and-one-half miles of new highway has been added to the provincial system in this area, yet The Department of Highways had to spend only a little less than \$40 million for construction and maintenance of the system within Wentworth county in the past 10 years.

And this does not include municipal and county roads in Wentworth on which a little less than \$37 million was spent. I ask the hon. members to pause for a moment and

think on that fact that—all told—\$77 million was spent on providing and maintaining roads of one type or another in a single county, over a ten-year period.

It makes me wonder whether we are driving the cars—or are the cars driving us? The hon. Minister of Transport (Mr. Rowntree) is concerned with the problem of impaired drivers; our new economic council might well consider the impairment to our economy that drivers are forcing us into by the unabated pressure of the continued increase in number of motor vehicles and increased use of these vehicles. Since I drive some 35,000 miles every year myself, I plead as guilty as anyone else to adding to this pressure, but after watching asphalt become one of the biggest crops in Ontario—with acre after acre being added each year, not only in our roads systems of the province, but particularly in areas like downtown Hamilton and Toronto—I wonder how long it can go on.

I have got a bit off my subject and perhaps out of my depth in musing on the philosophy of the motor vehicle. To get back to Wentworth county, the area would have been in difficult circumstances without the aid that has come from the province. In 1951-1952, the provincial subsidies going into Wentworth totalled a little more than \$800,000. Those subsidies reached \$2.3 million last year. The total for the 10-year period was almost \$15 million. This is a substantial sum, but if any of the northern Ontario hon. members think it is too much, I would ask them to drive some of the concession lines in my county and compare them with their own northern roads.

There is under way in my riding—at least the important part is in my riding—construction of the latest in the “400” series of highways. The Department of Highways likes to call it No. 403—but I can assure them that around Hamilton it will always be known as the Chedoke expressway. This is one of the most vitally needed urban bypasses yet unfinished in the province. Its present take-off point is Freeman’s Corners at the Queen Elizabeth way. It skirts or cuts through such colourful areas as Snake Road, Mausoleum Curve, Princess Point, Wolfe Island and Cootes Paradise.

The part of the highway that is still known as the Chedoke expressway is six and one-third miles long and is expected to be completed in 1965 at a cost of about \$14 million. This will be a great boon to those motorists who wish to bypass Hamilton. At the same time, the new highway will cut through the Royal Botanical Gardens, and it is with a

word about these gardens that I should like to conclude my remarks.

The Chedoke expressway brings me, in this speech, as it will bring hundreds of thousands of visitors when it is completed, to the Royal Botanical Gardens. I am afraid I am a most inactive director of these gardens, but I would like to compliment the men who have successfully worked against long odds to establish at Hamilton one of the finest botanical gardens on this continent. It is commonplace for people in the arts and entertainment world to complain that they have to go outside Canada for recognition, but the men who have made the Royal Botanical Gardens must feel like the proverbial prophets without honour in their own country.

It seems to me that the botanical gardens are more highly respected in the United States than in Canada, and are better known outside Ontario than within. The gardens were started in 1941 and war hampered their development. A second phase of development started in 1947 which has quickly brought the gardens international repute. A third phase, I would say will start the completion of the Chedoke expressway.

Combined with the completion of No. 401 highway and the other highways and bridges of which I have spoken, a highways system is being created which brings probably 10 million persons, on either side of the border, within a few hours’ drive of the gardens.

At first, the gardens were almost entirely supported by bequest, and Hamilton money. They still receive up to one-quarter mill from Hamilton. In 1953, this government stepped in and since that time \$892,000 in grants have been paid over. I am pleased to see that there is another \$100,000 in the budget this year. This is a lot of money, but it is not enough. There are 1,900 acres to maintain and develop, and with no revenue from admission charges the budget is stretched as far as it can go.

Leslie Laking, director of the gardens, provides a definition of what a botanical garden is:

A botanical garden is a hybrid type of organization, combining some of the functions of a university, a museum, and an experimental station, with the informal recreational aspects of a parks system. The tools of a botanical garden—its plant collections—are so employed that they exhibit great aesthetic appeal, along with instructional and inspirational values, as well as existing for their primary scientific purposes.

Many of the hon. members will be aware of the place that the seasonal gardens have won in the field of horticulture. Experts from all over the world have admired the iris display and the tulip variety garden. The rock garden has become a landmark, since it was established years before the Botanical Gardens and incorporated into them. The children's garden has attracted hundreds of youngsters from nine to 16 years from the Hamilton district and established in them a lasting interest in gardening.

The trial garden is a late-comer where new annuals are introduced and their performance recorded. Last year, visitors were able to see flowering plants which have since been given all-America awards and will be introduced next year.

The arboretum, being developed on a magnificent 350-acre site on the north shore of Cootes Paradise, is destined to become the most important area within the Royal Botanical Gardens. This is a long-term development devoted to the culture and display of hardy woody plants. The site has been prepared, roads and parking constructed, a lilac dell virtually completed, and preparations made for the introduction of an extensive demonstration hedge garden this spring. This arboretum has been designed to attract not only the professional, but the home owner in search of information.

To me, what will be one of the most outstanding features is the five wilderness areas with nearly 20 miles of improved nature trails. All in all, these botanical gardens offer more variety and wider scope to a person who just wants to spend a day outdoors than any other single area in southern Ontario. Where else can you find 1,900 acres without "No Trespassing" signs on barbed wire fences, lots of parking and superhighways to the entrance so close to Metro?

In conclusion, I would like to extend to the hon. members of the House two invitations: one is to visit the Royal Botanical Gardens this spring and see all the new developments for themselves; the other is to encourage the hon. Provincial Treasurer (Mr. Allan) and others who may know someone with funds that they would like to invest in the future to take an especially good look at our botanical gardens.

Mr. P. Hoffman (Timiskaming): Mr. Speaker, one of the most appealing aspects of participating in this debate is the opportunity it gives me to express my sincere admiration for the dignity and distinction you personally bring to this high office. During the last and present session, I have

been deeply impressed with the well earned respect you have commanded. It is indeed a pleasure to observe the esteem in which you are held.

Your tact and superior judgment in dealing with situations inevitably arising from the diversity of opinion expressed in this House would be difficult to emulate. I feel that I speak for all members of the House when I say that your position as Speaker would tax the patience of Job and challenge the restraint of William the Silent. Such admirable qualities as yours, are, unfortunately, all too seldom found and never fully appreciated.

At this time, too, I would like to take the opportunity of extending my congratulations to our hon. Prime Minister (Mr. Robarts). Here, sir, I am sure we all agree, is a man who will be acclaimed as one of Ontario's outstanding Prime Ministers. To the newly-elected hon. members of this Legislature, my warm congratulations and best wishes. I know that they will find it a full and rewarding experience.

To the newly-appointed hon. Ministers of the Cabinet, also, my congratulations. While we are aware that the selection has been difficult, we do feel that the hon. Prime Minister has chosen wisely, but in the words of a mother superior who prefers to remain anonymous, may I quote:

Keep me from getting talkative, and particularly from the fatal habit of thinking I must have something to say on every subject on every occasion.

Release me from craving to try to straighten out everybody's affairs.

Keep my mind free from the recital of endless details, and give me wings to get to the point.

And so, Mr. Speaker, as a member for a largely agricultural area, I would like at this time to extend my best wishes to the hon. Minister of Agriculture (Mr. Stewart). We are indeed pleased with the interest the hon. Minister has shown in the agricultural problems in our northern districts, and respectfully draw to his attention several existing conditions which must be considered for modification and correction.

As an editorial in the *North Bay Nugget* recently pointed out, a tremendous amount of southern Ontario's finest farm land has been taken out of production, chiefly through the construction of new highways and cloverleaves, housing developments, industrial sites and shopping centres—all part of the bursting expansion of this part of the province.

There are no new fields to be plowed in southern Ontario—indeed, far too much sub-marginal land is now being cultivated, and this should be converted to more realistic uses. New productive land is essential and the only area in which it can be found is in northern Ontario. As far as demonstrations of productivity are concerned, northern Ontario is ready to meet the challenge. For 80 years or more, northern Ontario farmers have shown that, for quality and productivity per acre their farms need not fear for comparison with farms in either southern Ontario or in the Canadian west.

Mr. Speaker, I am sure you are aware that the Timiskaming district is a highly productive agricultural area—covering some 1,800 square miles of fertile farm land. Though this region presents no problem insofar as growth of grain crops is concerned—owing to late summer and early autumn precipitation—the problem of successful harvesting and storage is serious.

Moisture in poorly dried grain reduces the quality from grade 1 to grade 3, with a subsequent loss in the Timiskaming district of roughly \$11,000 annually. Grain containing only 2.5 per cent moisture content above the maximum permissible, is responsible for this loss, and I feel keenly that grain-drying equipment is urgently needed in the Timiskaming area.

Recent statistics reveal that there are over 1.44 million bushels of grain produced in this district. While we realize that all grain produced will not necessarily require treatment of drying equipment, a safe margin of 25 per cent would give a minimum of 360,000 bushels of grain requiring this processing annually. Recently the sale of several thousand bushels of oats to a lumbering company in this area was lost because of excessive moisture in the grain; and this is by no means an isolated case. Inferior quality produce is bound to result from lack of proper drying facilities, and consequently places the farmers of the Timiskaming district in an unfavourable marketing situation.

While the use of grain-drying equipment is an entirely new approach in northern Ontario, it cannot and must not be considered experimental. Eighty per cent of the grain in Essex and Kent counties is being processed by this method. While the merit of such equipment is recognized in and by these two counties, it is my contention that such equipment will prove ultimately to be more beneficial in Timiskaming because of the greater precipitation occurring in the northern districts during the harvest season.

Mr. Speaker, we are aware that the hon. Minister of Agriculture (Mr. Stewart) is familiar with this existing condition and is most anxious to arrive at a solution to the problem. Accordingly, after giving thorough consideration to all aspects of the situation, I respectfully offer the following suggestions as means to that end. It is recommended that a suitable drying plant of sufficient capacity to dry a minimum of 3,000 bushels per 24-hour day be purchased and installed at the co-operative plant at New Liskeard.

It is further recommended that The Department of Agriculture examine and provide any financial assistance necessary that may be required by the co-op to finance the purchase and installation of the equipment so badly needed. It is recognized that the return of some \$15,000 as investment would not occur in a period of less than five to 10 years. However, because of the potential benefits to the farmers in the Timiskaming district, such calculated risk is well warranted.

In any event, it is my considered opinion that the finalization of such detail can be safely left with the hon. Minister and his highly trained staff of technicians and competent advisers.

Mr. Speaker, as mentioned at the beginning of this report, the district of Timiskaming is largely agricultural. Such being the case, with the sole exception of a closely related issue, my remarks will be confined to agriculture. Probably because of the geographical location of our respective ridings it was gratifying to learn that the hon. member for Nipissing (Mr. Troy), in his debate on the Throne speech, very recently approved, in part at least, a thought that has been uppermost in my mind for some time and which I brought to the attention of the hon. government members in this House at a recent caucus.

You, sir, will recall that at that time, it was my contention that a substantial or full payment of transportation charges should be paid by the government on all fertilizer shipments from the nearest manufacturing plant to the farm where it will be used. May I digress for a moment to point out that all farms are, of necessity, operated under rather rigid budget control? The purchase and transportation of fertilizer are items of considerable importance, and generally the cost is added together.

In brief, a farmer has a budget of, say, any given amount for fertilizing, and must reduce the amount of his purchase correspondingly to cover shipment charges.

During the period 1957-1960, shipments of

fertilizer to the Timiskaming district amounted to 484, 659, 792, and 960 tons respectively, totalling 2,895 tons. As the shipping points were not listed in this report, the actual transportation charges cannot be determined. However, it will be readily recognized that the farmers of the Timiskaming district are being penalized to a very considerable degree in comparison to the farmer located in areas where fertilizer plants are located. In a greater or lesser measure, a like situation exists in the districts of Algoma, Kenora, Cochrane, Sudbury, Nipissing, Rainy River and Thunder Bay, and were one to attempt to cover the whole situation he would indeed be guilty of verbosity.

In summarizing, may I express my thanks, Mr. Speaker, to the hon. members of this House for their understanding of these vexing problems presently confronting our farm friends in the Timiskaming district. On their behalf I ask the support of the hon. members of this assembly with the hope that they will be able to obtain the man-made equipment to salvage their God-given crops, and secondly that the government will absorb the cost of the shipping charges of fertilizer to this area.

In conclusion, I again quote from the prayer of the mother superior:

I ask for grace enough to listen to the tales of others' problems. Help me to endure them with patience.

Teach me the glorious lesson that occasionally it is possible that I may be mistaken.

Make me thoughtful, but not moody, helpful but not bossy. With my vast store of wisdom, it seems a pity not to use it all—but Thou knowest Lord, that I want a few friends at the end.

Mr. A. J. Reaume (Essex North): Mr. Speaker, in an atmosphere of prayer and friendliness, which I think is something that we ought to have more of, there is one matter of importance that I want to speak about, and I do it with the object and purpose in mind of not blaming anybody for anything. I am really not mad at anybody. If errors have happened in the past on the part of anyone, that is not what I want to speak about now.

A year ago in April, there occurred a strike at the Royal York Hotel.

Without assessing who may be right or wrong—and I think if we are going to be of any use at all in the final settlement of this strike, we have got to be neutral, and that is exactly what I intend to be—there is no question in my mind, and I do not think that there is any question in the minds of

any of the hon. members here, but that a strike really does not help anybody.

I understand, as you all do, that there are times that these things must happen. But instead of a strike cooling off, it sometimes gets hotter, and if we in this House who are the top authority of the province, if we speak about this strike in a heated attitude, in a time of argument, instead of trying to finally settle this strike, we may be adding only more flames to that fire. We may find ourselves having a hard time putting out the ashes that will, I think, smoulder for a long time after this strike has been settled.

There is no question in my mind, sir, that there rests here in the hands of hon. members, ample power to settle this strike. If there is not ample power, then we as a body can pass the type of Act which is needed in order that this strike may be settled. I think it would be well if we did everything we could to take party politics out of this. There have been a number of well meaning men who have made some trials to settle this strike, and they apparently have failed. I am going to offer a suggestion which I hope will meet with the approval of the House. I suggest that the hon. Premier of the province (Mr. Robarts), the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. leader of the NDP Party—

Mr. D. C. MacDonald (York South): "P" stands for "party." "NDP," not "NDP Party."

Mr. Reaume: Well, whatever you are. I want to reiterate that the last thing I am trying to do, is to get into any arguments with anybody, even my hon. friend.

I think that these three men, these three honourable men, should call a meeting in the Parliament buildings, and invite to this meeting the top notch officers of both the company involved and the union. I am not making the statement that they could, in the course of a half-hour, bring the strike to an end, but I am saying that I feel they can pave the way.

These three men represent all the public opinion in the province. Strikes either die or breed pretty well on public opinion, and I can think of no three men in the province who can bring more public opinion to a meeting than the three that I have mentioned. I am pleading with the hon. Prime Minister. I am not going to take any sides; I have seen, in my day, many strikes the ashes of which have smouldered for months and even years after they were finally settled.

This is a strike that concerns all the people

of the province. You always find one pattern followed. The company takes the side, of course, of the interest of the company. On the other hand, the union—and quite properly so—is fighting in the interests of the union. But, may I ask the hon. members of the House, who is fighting for the people, all the people? Who is fighting for the people of the province?

I should think—in fact I know—that the former hon. Prime Minister of the province (Mr. Frost) quite properly tried, the former hon. Minister of Labour (Mr. Daley) made some overtures and the present hon. Minister of Labour (Mr. Warrender) made some overtures, and a member of the control board here in the city has made a try. Apparently all this has failed. Now where can they go? To whom can the people appeal? To whom are they looking?

Mr. Speaker, I want to say again that there is no higher power in the province than right here. I think not only that we ought to be anxious to move forward and do something about it; I think it is a duty and an obligation on our part. I certainly hope that the hon. Prime Minister (Mr. Robarts) and the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. leader of the NDP (Mr. MacDonald) will join their hands, their hearts and their minds. This might be the very first time it ever happened, but I think that if they do, and if they erase any semblance of hatred from their hearts, if they will take a neutral stand, if they will invite the heads

of the company and do not let them send any office boys—and similarly invite the heads of the union and have them send no office boys—I think that, in this way, these hon. gentlemen can bring back to us, they must bring back, an answer. And if they have not the power to settle it finally, at present, then the House is now in session and the power can be given them. An answer must be found and I think by the help of God and the efforts on the part of the three hon. gentlemen that I have named, I think that they can handle the problem and, by all means, keep it out of politics.

Mr. J. A. C. Auld (Leeds) moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, I had anticipated that there would be more speakers available for the budget debate, but apparently we have no one else who is ready. Tomorrow we will go on with the estimates of The Department of Economics and Development. And we will meet at 2 p.m. tomorrow and rise at 5 p.m., and I so move.

Motion agreed to.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 9:40 o'clock, p.m.



Legislature of Ontario

Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Tuesday, March 13, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

TUESDAY, MARCH 13, 1962

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery the University of Waterloo, Waterloo; Lynnwood Heights Public School, Agincourt and Yeshiva Shlomei Emunei Israel Private School, Toronto; and in the west gallery, Power Glen Public School, St. Catharines.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, before the proceedings of the day, I would like to introduce two people to the House. We are privileged to have with us today Miss Edith G. Firth, who is authoress of the documentary volume entitled "The Town of York, 1793-1815", a copy of which is on each hon. member's desk.

With Miss Firth is Professor J. B. Conacher of the Champlain Society.

Before I introduce Miss Firth and Professor Conacher who is here with her, may I point out that this is the fifth volume in the Ontario sponsored series born out of the arrangement that the hon. member for Victoria and former Prime Minister of Ontario (Mr. Frost) made some half-dozen years ago.

The first volume in this series was "The Valley of the Trent" by Edwain C. Guillet; the second, "Royal Fort Frontenac" by Richard A. Preston and Dr. Leopold Lemontagne; the third, "Kingston Before the War of 1812" by Dr. Richard A. Preston; the fourth, "The Windsor Border Region" by Rev. E. J. Lajeunesse; and now, "The Town of York, 1793-1815."

In the course of preparation are two additional volumes. One is on the Muskoka-Haliburton region and the other is on the valley of the Grand River. Other volumes dealing with other parts of the province are presently in the planning stage.

Under the arrangements made with the Champlain Society, the province pays for the cost of publication which includes distribution to the members of the Champlain Society, plus an additional 1,200 to 1,500 copies of

the Ontario volume for public or general distribution. Printing and distribution are carried out through the University of Toronto Press.

Miss Firth, this charming Lindsay-born authoress to whom we are paying our respects today, is head of the Canadian history and manuscript section of the Toronto Public Library. Through several other works she has established herself as one of Ontario's leading authorities on early Canadian history. Her newest documentary volume which deals with the beginning of this great metropolis and capital city of our province, represents over three years of work on her part in collecting and editing material from the Toronto Public Library, the public archives in Ottawa, the Ontario archives, and many other libraries and historical societies in Canada and the United States.

Miss Edith Firth has searched deeply into the old records for her book, framing it within the period of Simcoe's arrival in 1793 and the time the news of peace reached York in the spring of 1815. Her persuasive and lucid style of writing, together with her meticulous selection of relevant and supporting documents, is certain to receive acclaim.

It is a book which will appeal, not only to the professional historian, but to all persons who take an interest in the early traditions and customs of our way of life in this province. She graphically illustrates why York was chosen for settlement in the first place, the kind of community that was developing and the effect of the War of 1812 on its social, religious, and business structure. Many interesting topics are encompassed in her book, such as the problems of defence, commercial development, local government, administration of justice, communications, politics, religion, and education.

In fact, many of the problems that are bothering us today were problems of consequence and moment in the life of the province back in the days covered by this volume. Thus this book entitled "The Town of York" is a most worthy successor to the four earlier works of this series prepared under the joint sponsorship of the Champlain Society and the Ontario government.

Dr. Conacher is the general editor of the Champlain series and has at all times been a continuing source of wisdom and experience in developing these books. We deeply regret that the editor of the Ontario series, Professor White, who is at present doing historical research abroad, could not be with us today. Professor White was closely associated with Miss Firth in the selection of content and in making arrangements for publication with the University of Toronto Press. We are deeply indebted to all of them, and of course, particularly to Miss Firth, for their unselfish devotion. We are grateful to all of you for contributing yet another chapter in Ontario's absorbing history.

Miss Firth and Dr. Conacher.

Mr. Speaker: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. G. E. Gomme (Lanark), from the standing committee on private bills, presented the committee's sixth report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr18, An Act respecting the Township of Nepean.

Bill No. Pr33, An Act respecting the United Church of Canada.

Bill No. Pr34, An Act respecting the Baudette and Rainy River Municipal Bridge.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr30, An Act respecting Hamilton Civic Hospitals.

Bill No. Pr36, An Act respecting the City of Hamilton.

Your committee would recommend that the following bill, having been withdrawn, be not reported:

Bill No. Pr9, An Act respecting the County of Halton.

Your committee would recommend that the fees less the penalties and the actual cost of printing be remitted on the following bills:

Bill No. Pr9, An Act respecting the County of Halton.

Bill No. Pr33, An Act respecting the United Church of Canada.

Mr. W. G. Noden (Rainy River), from the standing committee on mining, presented the

committee's first report which was read as follows and adopted:

Your committee begs to report the following bill with certain amendments:

Bill No. 57, An Act to amend The Mining Act.

Mr. Speaker: Motions.

Introduction of bills.

THE ENERGY ACT

Hon. R. W. Macaulay (Minister of Energy Resources) moves first reading of bill intituled, An Act to amend The Energy Act.

Motion agreed to; first reading of the bill.

Hon. R. W. Macaulay (Minister of Energy Resources): Mr. Speaker, this is a procedural bill and clarifies a certain number of points in the present Act. I think it would be far better if we dealt with it on second reading, and in committee, actually. It clarifies certain definitions and deals with a number of procedural matters affecting the department's administration.

THE PLANNING ACT

Hon. F. M. Cass (Minister of Municipal Affairs) moves first reading of bill intituled, An Act to amend The Planning Act.

Motion agreed to; first reading of the bill.

Hon. F. M. Cass (Minister of Municipal Affairs): Mr. Speaker, I might say that this is a bill which introduces many improvements, I should hope, to The Planning Act, including recognizing the county as a designated municipality to allow for committees of adjustment where there are zoning by-laws without any official plan, and with respect to certain procedural matters before committees and before the Ontario Municipal Board. I think that it also can best be discussed on second reading and in committee. It will go to the committee on municipal law.

Hon. J. Yaremko (Provincial Secretary): Mr. Speaker, I beg leave to present to the House the following:

The sixth annual report of the Ontario Highway Transport Board of the province of Ontario for the year ending December 31, 1961.

Mr. F. R. Oliver (Grey South): Mr. Speaker, before the orders of the day, may I ask my hon. friend, the Prime Minister (Mr. Robarts),

if arising out of the discussion in the House last night in relation to the Royal York strike, has my hon. friend issued an invitation to the parties to come together on the invitation of the Legislature as a whole? And if he has not, does he intend to invite the parties for that purpose?

Hon. Mr. Robarts: Mr. Speaker, I have had no notice of this question, but the answer to the first half of it is no, I have not. In answer to the second half, I have not given any consideration to so doing.

Mr. Speaker, before the orders of the day, I wish to advise the House of the appointment of the chairman and two members of the Ontario Police Commission, which is established under the amendment to The Police Act passed by this assembly in December, 1961.

I am pleased to inform the House that His Honour Judge Bruce J. S. Macdonald, OBE, ED, QC, judge of the county and district courts of Ontario, has accepted the full-time appointment of chairman of the commission. He will be on leave of absence from his judicial responsibilities.

He will be joined by Major-General Herbert A. Sparling, CBE, DSO, CD, who will retire shortly as General Officer Commanding Central Command of the Canadian Army; and Mr. Thomas J. Graham, who is well known to the hon. members of this House and who has had very broad experience as an officer of the Toronto Police Department, as a municipal councillor and as a public spirited businessman. Both of these gentlemen will serve on the commission in a part-time capacity.

When the legislation establishing this important commission was before the House during the fall, I said that we intended to appoint a body that would be outstanding in ability, experience and integrity. I am sure all hon. members will agree with me that this objective has indeed been met in the gentlemen who have accepted appointment. I may say that I am delighted with the personnel of the commission. They have undertaken a large and vital responsibility and I am confident that they will do a very good job for the people of Ontario.

Hon. members will recall that their powers and duties, in the broadest sense, are as follows:

1. To inquire into any matter relating to the maintenance of law and order in Ontario.
2. To insure that local municipalities, responsible for their own policing, dis-

charge that responsibility by providing adequate and proper police service within a municipality.

3. To inquire into the administration of any police force or the conduct of any police officer.

4. To suspend or terminate the appointment of any special constable.

5. To supervise the operation of the Ontario Provincial Police Force and to enter into agreements, with the approval of the Attorney-General, to provide local municipalities with provincial police service where the circumstances warrant it and at an agreed fee.

6. To report each year to the Legislature upon the affairs of the commission.

In short, the commission, in addition to supervising the affairs of the Ontario Provincial Police, will play a general watch-dog role over law observance and enforcement in Ontario, to the end that our province will always be an unhealthy place for crime and criminals.

Judge Macdonald has a lengthy and distinguished record in the field of criminal investigation and prosecution. He was born in Nova Scotia in 1902. He graduated from the University of Alberta and studied at Harvard Law School, being called to the bar of Alberta in 1927 and of Ontario in 1928. He was city solicitor of Windsor from 1930 to 1937 and served as counsel for Windsor in the amalgamation proceedings in 1935.

Judge Macdonald became an officer of the Essex Scottish Regiment in 1929 and was commanding officer of the regiment from May, 1943, until July, 1944, with the rank of Lieutenant-Colonel. He led the regiment during its early fighting in Normandy. From August, 1944, until May, 1945, he was the Canadian member of the Supreme Headquarters Allied Expeditionary Force court of inquiry on war crimes and president of the court during its last three months. He served as Officer Commanding, First Canadian War Crimes Investigation Unit, and chief prosecutor of war criminals for the Canadian Armed Forces, his most notable prosecution being that of S.S. Major-General Kurt Meyer. Demobilized in June of 1946, he was awarded the OBE and French Croix de Guerre. He practised his profession in Windsor until 1951 when he became Crown attorney for the county of Essex and then was appointed to the bench.

Major-General Sparling, 54, has had a wide experience in military and diplomatic service. A graduate of Royal Military College and

Dalhousie University, he began his military career with the Royal Canadian Horse Artillery and from 1934 until 1937 was instructor in gunnery in Winnipeg. Subsequently, he was attached to national defence headquarters in Ottawa and later attended staff college at Camberley, England. He went overseas in 1940 as brigade major with the Second Canadian Division Artillery and in 1942 he assumed command of the 13th Canadian Field Regiment, RCA, serving later in Sicily and Italy as brigadier in command of the divisional artillery of the Fifth Canadian Armoured Division. In 1944, he was appointed corps artillery commander of the First Canadian Corps in Italy and northwest Europe. He returned to Canada to command the divisional artillery of the Canadian Army, Pacific force. Upon the disbanding of this force in 1945, he returned to Europe and served in the Canadian Army occupation force in Germany.

He subsequently became District Officer Commanding Military District No. 2, Toronto, and from 1947 to 1949 was commander of the western Ontario area. In 1950, he attended the Imperial Defence College, London, England, and was promoted Major-General. He was vice-chief of the General Staff, Canadian Army, from 1950 to 1955, then chairman of the Joint Staff, Washington, DC, until 1958, when he became General Officer Commanding Central Command, with headquarters at Oakville.

Thomas J. Graham was born in Toronto in 1914. He attended St. Clare's Separate School, Vaughan Road Collegiate and St. Michael's College. In 1937, he joined the Toronto City Police Department and, in 1941, on leave from the police department, he became a special investigator in the RCAF. Returning to the Toronto force in 1944, Mr. Graham was one of the original members of the Toronto Police accident squad. In 1947, he left the force, entering the hardware and appliance business.

He was elected to North York township council in 1953 and served as deputy reeve in 1954 and 1955. He sat in the Legislature as member for York Centre from 1955 until 1959. As a member of North York council, Mr. Graham acted as chairman of the police committee which re-organized the North York force prior to its absorption into the Metropolitan Toronto force. Under his chairmanship, the North York force was increased from 50 to 200 men, two new police stations were opened and a police training programme was instituted. In 1957, as a member of the Legislature, he was appointed to the special commission which reviewed the operation of

the Metropolitan system in the Toronto area. In 1956, he became president and general manager of Domus Engineering Company Limited, Toronto. He sold his interest in the firm in 1958 and subsequently entered the construction business in association with several firms building apartment projects in the Toronto area.

Hon. Mr. Robarts moves that Mr. Speaker do now leave the chair, and the House resolve itself into the committee of supply.

Motion agreed to; House in committee of supply; Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF COMMERCE AND DEVELOPMENT (continued)

On vote 301:

Hon. R. W. Macaulay (Minister of Commerce and Development): Mr. Chairman, several days before the budget was delivered, I started on the estimates of this department by delivering what was the economic statement for the year 1961 just completed. Now with the indulgence of hon. members I would like to speak for a few minutes about the programme, the economic programme of the government of Ontario for this coming year, after which no doubt the Opposition parties will follow and then we will proceed into the actual votes where I will deal with the details.

Mr. Chairman, in asking this Legislature to vote as I am today, \$5,593,000 on ordinary account and \$5.6 million for capital facilities for the 1962-1963 operations of The Department of Commerce and Development, there are a number of points I would like to have the House consider. I shall present the 20-point economic trade programme for 1962.

There can be no doubt we are facing challenging times. The world is in a state of flux, where abrupt changes in international affairs have forced every nation to revise its thinking. This is particularly noticeable in world trading patterns, which are undergoing immense revision. The emergence of trading blocs, though they be thousands of miles away, will affect all of us in Ontario—our production, our labour, our markets, and the future of our province and our country.

When I presented my economic statement to the House some two weeks ago, I did so in an effort to provide information and background for the budget debate to all of the hon. members of this Legislature in our current economic situation. I believe, as I

am sure do all of the hon. members, that a well informed Legislature is a good Legislature.

In this statement, I outlined some of the problems our economy will have to solve if we are to obtain a high rate of economic growth in Ontario. I am going to list a number of points or courses of action that the government of Ontario feels will aid the people of our province in meeting the challenges of this decisive decade.

Let me first state that we do not consider any one of these points to be sacred; if study or practice show they are not succeeding, we will not hesitate to discard or modify them. If, on the other hand, a course of action proves promising, we will support it. Of course, we will always be ready to adopt new points or courses of action as circumstances warrant.

When this administration decided to embark on a course of action for the 1960s, it decided as a matter of policy to attempt to utilize the skills, knowledge, abilities and public spirit of people from all occupations and social and economic groups within this province. We believe that these people from all walks of life who are directly concerned in everyday life with the problems that face this government and country, have much to contribute to the general welfare of their province. We are determined to avail ourselves of their skills and public spirit, and we are doing this through the Ontario Economic Council. This is the first plank in our economic programme.

The stated purpose of the Ontario Economic Council is to stimulate all phases of economic development and bring labour, management, agriculture and government together in a working unit or partnership.

This is an accurate, but colourless way to describe what we have in mind. What we actually have in mind is the effective mobilization of the innate human resources of our people. In economic affairs, people like to talk of investment, automation, new methods, monetary policy, and so on. It is good that these things should be discussed and analyzed. After all, knowledge is power, just as the truth will make us free.

However, when all is said and done, these things count for little unless driven on powered by the will to win. The lesson of history which we are applying is that the best methods in the world avail little unless we mobilize our human resources, of which we have plenty of the best.

We know here that a complex industrial

society requires a dynamic unity, that something extra beyond the cold figures and the application of new methods can be nullified by the feeling that we are not all involved in a common enterprise. This then is the first plank of our economic programme relating to the Ontario Economic Council.

The second plank of our economic programme relates to an undertaking which we have begun some months ago of a three-part survey of the operations and future prospects of the Ontario Northland Railway, with a view to ascertaining its future. The results of this survey will be applied in fact in the programme which I shall tell the House of later.

This survey is being carried out by most eminent and capable men; Mr. Blair, former vice-president of the CNR, who is studying the operation of the railway and its equipment; Professor MacDougall of Queen's University, who is studying the economic status of the railway and its impact on our northland; and by Price Waterhouse and Company, which is studying the railway's financial structure.

The results of these studies, Mr. Chairman, will aid us immeasurably in undertaking a programme for the development of our north, our province and our people.

Our third plank to aid in the economic development in the province, and in particular, northern Ontario, deals with a \$7.2 million extension of our Ontario Northland Railway communications system.

This programme will provide the kind of communications system no modern economy can do without. Better communications enable more work to be done at lower cost. A modern economy cannot advance in one direction only, and this modern network, leading to greater volume of traffic and direct telephone dialing, is no more or less important as food supplies and sewage facilities to the advance of our northern economy. In a word, this is one of the essential basic investments we have to make.

As a fourth plank, we have decided to intensify our efforts in the field of basic and applied research.

Research, perhaps more so today than at any time in our past, is the key to the future. We cannot afford to neglect it and we will not.

In this field we have strengthened and improved the governing board of the Ontario Research Foundation.

A major long-term expansion is under study to set up a satellite community on research

in the Toronto area. The estimated cost of this new research centre will be \$9 million. We expect it to be completed in 1964 and a number of industries have expressed interest. The Toronto area was selected because of its central location and proximity to universities and other technical facilities.

In this connection, a committee of the economic council has been established to study the involved problem of industrial research and to recommend policies related to it.

This committee is necessary to see that the increased amounts to be spent on research are well spent. We have to co-ordinate two objectives: increase per capita research expenditures to a level comparable with that of other leading industrialized countries, and increase these expenditures judiciously and profitably, rather than indiscriminately.

With this reorganization and extension of services and facilities, we believe we have made a good start—a start, incidentally that should do much to encourage and retain those skilled people our country needs.

As a further aid to research and our fifth plank, I am asking the House in these estimates to increase our grants to the Ontario Research Foundation and to make additional grants in aid of special studies we feel will aid our economy.

These grants will lead to greater productivity throughout our economy. Research is the key to modern progress. At one time, 100 or even 50 years ago, new products, better ways of doing things, came almost by accident or as the result of the efforts of a few devoted scientists. Now, to keep up with our competitors, we have to organize our inventive genius. This effort will touch all sectors of our economy and all parts of the province. To name but a few projects, this programme will investigate cellulose utilization, spruce bark utilization for oil-well drilling muds, non-metallic uses of uranium, hydrogenation of fats and oils, and many others.

This government has always believed in northern Ontario. Our north is Ontario's frontier and we believe in opening up frontiers.

During the last 18 years, the economy of northern Ontario has developed as it did not in any other period of our history. We intend to accomplish as much in the next ten years as has been done in the last two decades.

Our sixth plank is to aid our development in the north in the creation of a northern Ontario development committee.

The need for a special body to consider the

needs of northern Ontario becomes apparent if we consider how different that region is from the region in which most of us live. Northern Ontario and southern Ontario are in many ways as different as oil and water. Our northland is bigger than Texas, with a fraction of the population. It has a small agricultural base and huge mineral and forest resources. It depends heavily on such industries as pulp and paper, mining and tourism. These activities are heavily dependent on outside markets, or economic forces largely outside Ontario's control. In view of this we realize that we have not merely to be as good as our competitors, we have to be better.

Since we firmly believe we can achieve this, not merely part of the time, but most of the time, if not all of the time, we feel that this Northern Ontario Development Committee is an all-important first step and we intend to organize for victory in this connection.

We want to look at the question of liaison between the north and the south and how this can best be accomplished. We are concerned about rate and cost differentials and availability of finances. We want to find out how one-industry municipalities can be diversified. We would like to strengthen the economy of Manitoulin Island and we want to study every possible way to bring this about.

Although some people forget this nowadays, agriculture is the basic first industry of our economy as it always has been. As our seventh plank—and no programme to further our development would be effective without it—and as a supplement to the great work of The Department of Agriculture, and in close co-operation with it, an agricultural committee of the economic council has been formed to consider certain aspects of our agriculture industry.

A new approach often achieves results. Many of the men and some of the facilities of The Department of Commerce and Development can quickly spot possible markets for our agricultural products. For example, in the last two weeks in my own portion of the department we have been able to take part in negotiations for the sale of a substantial volume of an important agricultural product running into several millions of dollars. Negotiations are still in progress. This is a new market, a new country, and I am confident that we have great prospects of disposing of it. I am sorry that I am not able to disclose to the House the nature of it, but because of the negotiations and the size of it, I think hon. members will realize that if this matter is pulled off, they will

realize it was a most important one, and this is why it could not be discussed at this time.

In conjunction with our many projects, I would like our people to keep agriculture in mind at all times. Frankly speaking, I believe that we, with the wealth of talent that we have been able to assemble in our committees and departments, can do this. Studies will relate to markets, finance, methods, exports and so forth.

The eighth plank relates to housing. This government strongly believes in social progress. The improvement of our living standards is part and parcel of our ever increasing progress. The two are interrelated. We cannot have the one without the other. This is why we have begun a new, 12-point housing programme, which I can refer to in greater detail if the House wishes me to do so at the time we come to that specific vote in the estimates.

The dollar value of the programme is not nearly as important at this stage as the prospects which it holds out to us for our people. I am confident that this new approach to housing, when fully in swing, will not only be of assistance to the housing industry and our general economy, but will make great strides in alleviating social inequalities and helping to lift the standards of our people to acceptable levels.

Our ninth plank relates to retraining of part of our labour force. I readily acknowledge that retraining is fundamentally the responsibility of The Department of Education and, to an extent, The Department of Labour. On the other hand, I do not believe that we can divorce the strength of the economy from the capacity and training of the labour force.

There is an imaginative and highly expansive and expensive retraining programme underway in Ontario. The problems of retraining are immense. Before automation, a man could select a trade and without much general education be confident that he could earn his living so long as he wished to work at that trade. With the progress of automation, this prospect is no longer so assured. Today, we must be able to retrain those who come to Ontario as well as those who, for one reason or another, have need of another trade.

Fundamental to retraining is the general education of our people. To teach a man a trade who cannot read or write with facility or calculate simple mathematical problems is to accomplish little in the long run. With only a facility at one trade, a man is vulnerable to changes in techniques and automa-

tion, and he may very well again be out of work unless he has some general education with which to assist himself even within his own job opportunity. Therefore, we intend to establish a study relating to automation and retraining to see what we can do in this department to assist in the preparation of our labour force initially and in its retraining to prepare it for that which will be demanded of it.

We wonder, for example, whether it might be desirable to begin a programme which would open up one or more closed army camps which would be properly equipped, and to which could be sent persons to be retrained who are interested in retraining, and where they would be housed for a number of months much as we were in the army.

We feel that we must look at this problem perhaps from a different light than has been the traditional approach. We would have to give consideration to the support of a man's family, if any, as well as to his own support during this period. In any event, our study will relate to retraining in co-operation with the committees and departments now concerned with it. It is our intention to look at the problem of retraining, not as educators, but as persons who are dedicated to the conviction that we must have a mobile and flexible work force.

As we all realize, skilled labour and a skilled people are one of the most essential prerequisites to economic progress. In fact, I would go farther and say that unless the jurisdiction possesses a monopoly of natural resources, which, of course, we in Ontario do not, education gives that edge, that fractional advantage which enables us not merely to draw a little ahead, but to win the game; as far as the economic game can ever be won.

This government, as a vital part of our programme for economic progress, is going to undertake a study of the demand and availability of required labour and management skills in the light of actual and anticipated changes in our economy. From this study the appropriate conclusions will be drawn and action taken.

But let me emphasize this: there is no simple answer to this problem. The solution lies in the success of a large number of actions by groups from all walks of life, including, of course, the person whose skill is in questionable demand.

Our tenth plank relates to industrial incentives. Today, there are many devices which enlightened government can operate to encourage industry without interfering in its

internal workings. Although the province, by virtue of The BNA Act, cannot directly effect changes in the monetary system, rates of interest, tariffs or conditions of foreign trade, we can by means of an enlightened taxation policy set the conditions which will encourage progress.

A special committee on industrial incentives and inducements will study, among others, the following subjects:

1. Remission of corporation taxes to companies which: (a) increase their exports compared to their exports in a given base period; (b) make factory shipments in excess of their shipments for a given base period; (c) make capital expenditures in excess of their capital expenditures for a given base period.

This reduction of the tax on companies making specified percentage increases in the above regards would act as a stimulus to aggressive firms but would not act as an umbrella for the less efficient.

This type of approach could be used to encourage initiative in developing new products, improving industrial design, using a greater percentage of Canadian raw materials in any given product, encouraging research, helping areas of high unemployment, and encouraging exporters to fabricate their products to a higher degree than formerly.

In addition, the committee will study the ideas of subsidized services, and of an Ontario development fund.

These are not matters for precipitate action, but for careful study on which to base decisive action.

One of the essential prerequisites for economic progress is cheap and plentiful energy. Where there are ample and cheap supplies of energy, there is a high standard of living. Ontario has always had ample supplies of cheap energy despite its lack of certain essential fuels. We intend to maintain this position, and, in furtherance of our aims, we are going to amalgamate financially the three Ontario hydro-electric systems. This is our eleventh plank.

In the past there have been amalgamations within the area which today comprises the southern Ontario system, and the benefits anticipated at the time these amalgamations took place have been realized. So now, we propose to amalgamate the three existing systems, the southern, northeastern and north-western, to realize further benefits. In effect, we are proposing to amalgamate one medium-sized electrical utility system with two small systems to make one large, strong and stable system.

As a result, we shall be able to achieve economies in administration, eliminate anomalies from the very complex problem of costing electricity within and among the regions, and provide a large degree of protection from fluctuation in rates to consumers, particularly in the north, where basic industries are heavily dependent upon markets subject to boom and recession. We shall be able to develop the resources of all regions more economically by providing a market for all hydro developments as soon as they are completed. In the long term, rates will be lower than they would otherwise have been. The effect upon rates will be little or none at present, but amalgamation will hold down increases for the future.

Our twelfth plank relates to the creation of a committee of the economic council to study the tourist industry. One of the problems noted in my economic statement was the size of our balance-of-payments deficit. While increased exports will aid in cutting down this deficit, the non-merchandise or money side of our balance-of-payments situation must also be tackled. One of the goals of the committee on tourism will be to attract more foreign tourists to Ontario and at the same time encourage Ontario and Canadian citizens to vacation here. If such a goal is realized our present deficit on tourist account could be turned into a surplus.

Some of the subjects to be studied by the committee on tourism will be the development of suitable attractions and facilities, camping sites, historical sites, advertising, domestic and foreign, government aid and services, liquor policy, financial assistance through an Ontario development fund, and other matters.

The committee on tourism will draw heavily for its members upon people engaged in the tourist industry in Ontario.

Our thirteenth plank relates to the study of the advisability of creating an Ontario development fund.

The availability of capital for business enterprises of all descriptions is one of the key determinants of economic progress. Our existing financial enterprises have all made tremendous contributions and undoubtedly will continue to do so. Nevertheless, as a part of our far-reaching economic programme for the sixties, we intend, through the Ontario Economic Council, to investigate the need for an Ontario development fund.

Such a fund might loan money to industry for sites, buildings, machinery and equipment, and guarantee loans by non-profit municipal industrial development groups. In addition, the fund committee would study federal fiscal

and monetary policy as it relates to encouraging capital investment in Ontario industry, and in general study the factors affecting business growth, such as availability of foreign capital, business taxation and financial inducements to growth.

For example, are there sufficient financial means within the conventional loaning institutions for expanding industry? If not, in what areas is there a shortage? Are these areas in which we wish to encourage development?

What kind of development do we want to encourage? Why has it not taken place otherwise? Also, if we are to create an Ontario development fund, what are the methods for establishing it? Should it be co-operative with industry and is there any way of infusing public participation—by way of bonds or other holdings in a fund in the hands of the public? Such a fund could exceed \$100 million.

If such a fund were created, it could be used to assist in the creation of new industry and the expansion and development of existing industry, and it could help to retain the family farm and expand the tourist industry.

This is a proposal in which I have long believed and advocated for some time. But before any such programme is undertaken, it must be very carefully scrutinized.

Canadians today import more per capita than any other people in the world. We in this government do not believe in this day and age that we can best stimulate our economy and improve the standard of living by engaging in campaigns for high tariffs. In fact, the record shows that our strongest companies, those that compete not only in Canada but throughout the world, deplore high tariffs because they feel that such action shuts more doors than it opens.

There is much the government of Ontario believes can be done to assist materially the manufacturing sector of the economy. One field looks particularly promising: the field of import replacement. Our fourteenth plank relates to what we call the fabrication gap.

Fabrication gaps mean that we are importing from outside of Ontario or outside of Canada tremendous quantities of goods, many of which can well be manufactured in Ontario.

We have a booklet which we will be distributing to the hon. members of the House, Mr. Chairman, which shows what these gaps are, but we have to take a new approach toward this matter. Our new programme, in relation to these imports which can be manufactured in Ontario, is to aggressively attempt to replace them.

We can do this by manufacturers' agencies and by an aggressive policy of education in our Ontario industry.

In Canada we import \$236 per capita, while the UK and Germany import about \$50 per capita. The US imports only \$32 per capita.

It is fair to assume that this average rate per capita applies also in Ontario. With approximately 6 million people, if we can cut that down by only \$50 per person, we can do \$300 million more business in Ontario in a year. This would provide jobs for 30,000 people, based on the general belief that \$10,000 worth of business creates one job in industry.

I am sorry the hon. leader of the Opposition (Mr. Wintermeyer) is not following me on this point because it is of great significance.

There is utterly no sense in assuming that any industrial woes we have or any unemployment we possess is because we do not have enough industry in Ontario. This is only part of the problem. A large part of the problem exists because we have unused capacity, and we do not need people to man this unused capacity. We are letting other people manufacture the goods that we consume rather than manufacturing them ourselves.

The point of view of this government is simply this: that we, the people of this province, can lift our economy to the highest level if we have the courage to make a few sacrifices, the intelligence to make a few plans, and then the determination to execute them.

We intend to increase our efforts in the field of import replacements, and as a start we are going to hold a conference on fabrication gaps. Through this conference we hope to stimulate Ontario manufacturers to fill these gaps. These conferences, we hope, will not only stimulate manufacturers, but will also aid and assist government, business and the public to better understand each other's problems and develop new techniques to find new products and markets.

In its expanded capital expenditure programme, the Ontario government will ensure, as it has in the past, maximum consideration for goods of Canadian manufacture.

Some hon. members of this House might not realize this, but an important fabrication gap in the Canadian economy was closed last year. This was done by the national oil policy, which displaced most foreign oil products from the Ontario market and which led to the construction of a large new oil refinery in Ontario.

As our fifteenth plank, we propose to set up a markets division in the trade and industry branch, which will specialize in market studies of fabrication gaps and of foreign markets and will draw to the attention of Ontario manufacturers opportunities that exist in provincial, national and world trade.

Such a division, in my view, could do the vital study work so essential to such projects as trade missions abroad and the programme for closing fabrication gaps and judgment of proposals for the Ontario development fund. Moreover, the markets division would assist the government and industry to judge trends, work closely with our trade officers and free them from much routine work, and assist the department in judging important new areas in which to place new trade offices or open offices.

Our sixteenth plank relates to trade missions. We have been much too content in Ontario to let the world knock on our doors. After the last war, in fact, the world did come to knock on our doors to buy from us, but now the world is knocking on our doors to sell to us. As I have already pointed out today, a large part of our economic salvation will rest upon increased exports, improved quality and advance design. We therefore intend to send to Europe a trade group some of whom will be members of the economic council, some of whom will be representatives of industries and organizations across this province. When such a trade group reaches Europe, it will fan out to go to prearranged locations where contacts can be made and negotiations for trade and market sampling carried out. When these people return to Canada, they will report to the economic council and to this department, and they will consist of the council's contact with their specific industry in Europe and Canada.

We believe that we can sell in Europe. We can even sell radios in Japan. But we have got to get off our own doorstep to do it. I contemplate that this trade group will be followed up by another to South America and perhaps one to Asia.

Our seventeenth plank relates to our foreign offices. We are adding to our staff in our offices in Chicago, New York and London. We are strengthening the specific responsibilities of these offices and changing the emphasis from that of attracting new industry to increasing our sales beyond our own jurisdiction with a continued attention to the challenge of introducing new industry from abroad to Ontario.

Our eighteenth plank has been in progress now for several days. It relates to the creation of a trade office in Europe to service

the new European economy and to augment that which is carried out by Ontario House on the continent.

A member of the staff of the department has been despatched to Europe, and is now making an on-the-spot survey to determine the most suitable location for new European trade offices.

We will be working in close co-operation with the trade commissioners of The Department of Trade and Commerce, Ottawa. After all, that department is mostly concerned with the bringing of industry to Canada, as a whole, and, although this is of vital importance to us, we also want to have trade brought to Ontario.

Our nineteenth plank is related to manufacturers' co-operative agencies.

We also plan to study the value of co-operative or common agencies to foster the export of products from small and medium-sized Ontario companies. A co-operative agency is, in effect, a sales agency located in the US or abroad, which sells the products of a number of Ontario manufacturers who jointly support the agency, with or without government financial assistance.

The problem is that many of our small industries are unable to financially support roving trade people on their own, or sales managers in Europe or other places where markets are developing. We feel they can make a modest contribution which, in co-operation with other companies, would enable a small group of manufacturers to actually have a trade representative in other countries in the world.

It must be emphasized that we are fundamentally interested in stimulating all possible exports, not so much for balance-of-payments reasons, but for employment reasons. If a Canadian good or a service, such as insurance or tourism, is sold abroad or to foreign nationals, much more employment per dollar of sales is created in Canada than if imports are sold here.

Not only is employment created directly, but the Canadian manufacturer buys goods and services here, and those who sell to him employ goods and services in their turn. One export dollar may lead to as much as three dollars of business and employment for Canadians. With imports, the balance runs the other way. Imports have many economic advantages, but a heavy import surplus discourages employment here. This balance must be redressed, and in fact this has been started.

We plan a number of co-operative manufacturers' agencies.

We will approach, through the department, a number of Ontario manufacturers, either with vertical lines of production or horizontal lines of production, and, having assembled a number of these—let us say 10 manufacturers—an agent will be appointed either from the department or outside of the department, and supported by these industries, he will go forth into Europe and other trade areas to obtain orders and sell our products.

It is entirely possible, in co-operation with the manufacturers of Ontario, that we may be able to locate several product show-rooms in various trade areas of the world. There are many other exciting prospects in this field.

We have much to learn from the Japanese, for example, who have been traders all their lives.

Our twentieth and last plank deals with a new immigration policy.

The department has embarked on a new immigration plan to assist Ontario industry, universities, schools, hospitals, professional and trade associations and other organizations in obtaining from overseas professional and technical personnel not available in Canada. Surprisingly enough, there are many fields in Canada where there are very critical shortages of trained personnel, which are holding back the expansion of industry.

Such people have a large contribution to make in two ways. I would point out to the House that immigration is a matter which is contained in the federal responsibility, but ours is one of augmenting our own industry—in my department, at any event.

If they are well chosen, these technical personnel that are not available in Canada, their productivity and their contribution to the economy will be high. Secondly, they will help fight unemployment because the first essential in raising employment or in attracting new enterprise to an area is to assure employers that they can obtain their key personnel in the area, or that it is an area to which they can bring their key personnel and retain them. This involves a supply of professional and technical personnel available for recruitment, and full and adequate facilities such as educational facilities for their children, medical services and well designed and engineered communities to live in.

One only needs to look at the advertisements carried by Canadian manufacturers in European newspapers for professional and trained people to realize the importance of this.

Our programme to encourage high quality immigration, in relation to our economic programme, is already being implemented. Two immigration officers have been hired to work in the Toronto office of this department. An assistant director for immigration has been hired recently and has joined the immigration staff at Ontario House, which consists of five men. The immigration officers at Ontario House promote, counsel and guide the emigration to Ontario of persons possessing the skills and knowledge needed in this province. At the Toronto office the officers receive from prospective Ontario employers their skilled personnel requirements. In general, close liaison is maintained with trade associations, the federal government and representatives of other countries.

Mr. Chairman, these 20 points or courses of action will materially assist all areas of our province to reach new economic heights. We are confident that this programme will help us achieve an increase of six per cent in our gross provincial product and we are hopeful of receiving eight per cent. As I mentioned at the beginning of my remarks, we will not hesitate to discard a course of action that holds no promise, nor will we hesitate to undertake or consider new courses of action. Not only are we going to seize our opportunities, but we are going to create opportunities. Don't sell Ontario short. We are richer in our resources, our people and our skills, than any other area in the world.

I would say to the hon. members, Mr. Chairman, that they are now about to vote for Ontario's golden age.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I followed very closely what the hon. Minister said and I copied down the whole of his 20 points and I missed No. 3. I wonder if he would mind repeating it. There was \$7.2 million for the Ontario Northland Railway?

Hon. Mr. Macaulay: This is for the communication system of the Ontario Northland Railway—to extend and enlarge it.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Chairman, if I may be permitted to make a few introductory remarks before we get into the details of the estimates, I would first of all congratulate the hon. Minister for his presentation here this afternoon and for the general pattern of the programme that has been outlined.

I must say that I would hope there are very few, if any of us, in this House who would

disagree with the objective; who would disagree with the purposes—the need, certainly—as I submit that this is what we should have been doing 20 years ago, when other countries were doing the same thing; and I would certainly say to the hon. Minister that, in terms of the economic council, I personally have identified myself with this for a long time, as he has.

Therefore, at the outset, Mr. Chairman, I want to make it emphatically clear that I have not come here today just to criticize for the purpose of criticizing only. There is much that has merit here. There is much that deserves support. The question is, are you going to implement it, are you going to do anything about it, or is this just a lot of window-dressing?

Let us get down, Mr. Chairman, to some of the realities of Ontario. The hon. Minister has very energetically, intelligently and almost emotionally appealed to the great riches and people of Ontario for development, and I think this is a good thing. But what is Ontario as an economic unit? It consists, as he has said, of two divisions, northern Ontario and southern Ontario.

Let me point out what I mean when I say that these economies are in conflict, one with the other. An economic council, designed to help southern Ontario may do great harm in northern Ontario, and I cannot see the correlation thus far. For example, northern Ontario is an exporter. It exports natural resources. It has by nature a low tariff industry. It wants to compete in foreign markets. It sells little or nothing in Ontario or in Canada.

The southern part of our economy is secondary industry, a manufacturing industry, and it is concerned with protection. I say at outset that there is a conflict which must be resolved. Where will the emphasis be?

Now let me go a little deeper. In conjunction with the northern economy, we on this side of the House have said for three years that something should be done about subsidizing freight rates, because one of the difficulties in northern Ontario, in mining and iron mining at the present time—certainly in the pulp and paper industry—is the cost of power and transportation. These are vital factors. Paper is sold f.o.b. New York.

Now, what are we going to do? Are we going to use the facility of Hydro to effect cheap electricity and power to these industries? By what the government has done, you would say just the contrary is true, because they now want to amalgamate all the several sectors of the Hydro development—the north-

western with the northeastern and the southern. In effect, this may be okay, it may be in order, but the real problem I ask is: Is this government prepared to retain control over industrial Hydro rates, or is it going to be handed to the commission—a commission which, by definition from the hon. Minister, is autonomous in itself and owned by the municipalities? I, for one, Mr. Chairman, am not prepared to take the position that we in this Legislature should abdicate our right to control industrial Hydro rates.

Now, these are the things the hon. Minister should be in a position to—and must—answer this afternoon. What are we going to do in that respect?

What are we going to do about freight rates which, he has admitted himself, are of great consequence? The former leader of the party opposite said that, as long as he was Prime Minister, there would be no subsidies for freight rates in Ontario. Now is this the declared continuing position of the party opposite and the government?

If it is, it is inconsistent with the position that has been outlined today.

My appeal, Mr. Chairman, is not for words, but for reality. Sure, there is need to help and to develop northern Ontario. But primarily at the present time there are two significant factors that must be treated—freight cost and power cost. And we should have a policy in this respect.

To sit down now and study a problem three years after Manitoba started to study the freight rates structure, and many years after Quebec has studied the Hydro problem with the intent of attracting industry to that province, is no time for the province of Ontario to set up a group to think about it or study it. I suggest the time has come in those two respects to be in a position to act. And I ask, Mr. Chairman, that the hon. Minister advise the House this afternoon what government policy is, in respect to these vital factors in conjunction with the development of northern Ontario.

With respect to a revolving fund it is a good thing. One has only to look at the statistics with respect to capitalization and ownership of our resources to know that we should encourage more Canadians to become part owners and owners of equities in this great opportunity in Ontario, our natural resource industry. But specifically what are we going to do with a revolving fund, and where are we going to get the money? Where, specifically, is the money in the estimates that will be used for this purpose? We talk

about \$150 million or \$200 million; are we going to borrow that money? And what are the terms of repayment going to be?

Mr. Chairman, this is the third question I put specifically to the hon. Minister. Three years ago I suggested that we use the facilities of the Ontario Provincial Savings Bank. I think it could be used; I think it is an institution that could be expanded dramatically to comply with Galbraith's concept that in the public sector there is much to be done by way of investment. Expanding that institution could attract money—deposit money, savings of the people of Ontario, put on deposit, and then used by agreement, by the government for the purposes of this northern development.

It could be used for housing, as it is in England at the present time. There they are away ahead of us in conjunction with funds for public housing, for urban development and for private housing. And, while I agree wholly with the hon. Minister's objectives in respect to housing, we need the money, and the question is where are we going to get it? It is all right to identify a revolving fund, to talk in terms of a revolving fund, but the mechanics, likewise, are important.

Fourth, I would ask, specifically, where will the funds come from? Or is this, too, a matter of study?

Mr. Chairman, may I say that in respect of the southern part of the province, another problem presents itself. The hon. Minister has said on two or three occasions, and I wholly agree, that the manufacturing industry in southern Ontario is the big employer. It employs roughly, I believe, 50 per cent of the total employment and therefore it is an important determinant of whether or not we have employment or unemployment in Ontario. If things are going well with this industry, the secondary industry, the manufacturing industry, usually we have little or no unemployment.

We, on the budget—and the hon. member for Bruce (Mr. Whicher), I thought, did this admirably the other day—demonstrated that a plan, whereby our gross provincial activity would grow at a constant rate of 4.5 per cent per annum, would effect full employment. Now what he meant was inducing our secondary industry to expand to the extent that it would grow at the rate of 4.5 per cent per annum.

The question that I put to the hon. Minister is simply this, how does he propose to expand secondary industry in Ontario and, specifically, to effect this type of objective? A man on the street will say almost spontan-

eously that we are not developing our secondary industry sufficiently fast to take up the slack in employment. The economists talk about gross national product and the rate of growth and so forth. But both are talking about the same thing.

The simple fact, Mr. Chairman, and may I point this out, is that the labour force in manufacturing, or in secondary industry, has not grown dramatically in Ontario. I point out to you, Mr. Chairman, that in 1917 there were 299,000 people employed in the manufacturing industry in Ontario. And at the present time, 1961, there are 593,000.

Now relating this to overall figures, it is, say, 300,000 to 600,000, the force has doubled in that period of time. But, Mr. Chairman, the number of establishments has grown from 9,000 to only 13,000. The dollar value of factory shipment, of course, has gone up dramatically from \$1.4 billion to about \$12 billion, it has gone up almost 10 times. But the numbers of jobs that have been created have not, and this is the real problem we have in Ontario.

The question I put to the hon. Minister again is: In terms of specifics, what are we going to do? I do not think it is good enough at this stage to say we need foreign markets. That is obvious. It was obvious even to the group in Ottawa to the extent that they organized and sent trade missions out in the course of the last few years. But more than that is required.

In western Europe, at the present time, they have so geared their economy and their economical development that they have adopted a new concept, a concept of co-operation between management and labour, that has permitted them, Mr. Chairman, to reduce costs. And I say to the hon. Minister, something imaginative today would be of this order: that you come to this House and say, we, the province of Ontario, would like to encourage management and labour to get together and reduce costs. In order to do this it may mean that labour has to hold the line in a certain given area to find itself in a certain foreign market but, in order to do that, Mr. Chairman, surely it is not fair to say that labour must absorb the whole burden or that it must hold the line without compensation.

It would be imaginative, however, to do as certain European countries have done and to say: If you do that, and we do succeed in that foreign market and we do make money, we, the company, will permit you to share in the profits or permit you to buy into equities, or in some other fashion make

up and share with you the successful operation.

We have taxing facilities here; we impose corporate taxes and the hon. Minister himself said he was giving serious consideration to reducing corporate taxes in those areas where a corporation will make a genuine effort to expand its foreign trade or its export markets. This is commendable but this, in itself, is not sufficient, Mr. Chairman. We in this province, and on this side of the Atlantic, are up against a real problem in terms of competition. To say that we are going to sell radios in Japan is just so unimaginative—

Hon. Mr. Macaulay: We are selling them.

Mr. Wintermeyer: Well, now—

Hon. Mr. Macaulay: I am simply pointing that out as an example that you can trade if you really make the effort.

Mr. Wintermeyer: Yes, but the hon. Minister and I or anybody else in this House who is close to the industry—and there are several in my own home area who are very close to this industry—know that the wage cost in Japan is so much lower than it is here that it is almost impossible to get into that market.

Hon. Mr. Macaulay: Will my hon. friend permit me to say that, if he looks at the radio industry which is selling in Japan, he will find that it is not selling in the kind of line in which Japan is in competition. In short there still is room in this world for quality, and this is what these people are talking about.

Mr. Wintermeyer: With that I have no quarrel. There are areas, certainly, but in the overall the major point I am trying to make is this: that everybody, from the man who has an elementary knowledge of this problem to the most trained economist, acknowledges that competition is a factor here, and that costs are a factor. I simply say that we, if we really want to be imaginative, have to find an answer to bring our costs in line.

Now I do not think there is anybody in this House who is going to suggest that we ask labour to make an unqualified sacrifice. I think it would be ludicrous. On the other hand, I think it would be very realistic to say to management and to labour: if you two will co-operatively work under government initiative here, we are prepared to make some tax concessions to you. Now, I think this type of imaginative thinking will produce more exports for our secondary

industry and, as the hon. Minister so well said—and I agree fully with him, that we are not interested in exports only for the sake of dollars but for jobs.

In Ontario we are dependent wholly on this secondary industry to create new jobs and we are not creating enough new jobs. From the year 1917 forward we have not grown dramatically in the secondary industry branch of our economy. To do so I think we have to use every opportunity, but I suggest to the hon. Minister that it will not be sufficient to go into those areas where nobody else is specializing at the present time, such as, a quality product. Do it by all means. But something more is going to be required and this concept of profit-sharing and the co-operation of management and labour, I think, can be a real one.

I certainly, for one, am not prepared to acknowledge that the last word has been said on the idea that our economy is premised on the supposition that these two forces are inimical, and each looks to his economic force for survival. I think they can be partners, and they should be, and I think it is in this area that I would encourage you to move forward because—as the hon. Minister himself said, and, again, so rightly, in this area we are working under a severe handicap. Our natural market, our Canadian market, is so small compared with our ability to produce, that we are at an immediate disadvantage. We can produce far more than we can consume in the secondary manufacturing level.

I would point out another thing which my hon. colleague, the member for Bruce (Mr. Whicher), suggested the other day, and which I thought was so worthwhile. It was the matter of working out, Mr. Chairman, with a given industry—in this instance he referred to the manufacturing industry—an opportunity and encouragement to manufacture more of the complete product in Canada.

He selected the automobile industry because it so happens that all of the manufacturing industry in the automobile business is in Ontario, and necessarily would inure immediately to our benefit. I know, from personal experience, again in my own territory, that many of the parts group in the automobile industry—the suppliers so-called, the toolmen and the like—are at a great disadvantage. That part, that segment of the industry could be expanded dramatically.

I think it is fair to tell you, Mr. Chairman, it is my understanding that several of these industries are trying to develop feeder areas in this very Oakville area. So there is an element of encouragement there, there is

something to work with and I suggest, Mr. Chairman, if we could persuade the industry to buy all its parts in Ontario that we would do very much.

Now, another suggestion has been made, and I suggest it in a different order entirely. You know that the competition in the electrical appliance business is fierce and there is real danger frankly of some of these companies running into financial difficulty. All you have to do is read the financial pages to realize that. Now, again, we in this Legislature, as the hon. Minister has said, must be interested in jobs. If any one of those groups ever went under and we lost those jobs we would be in trouble.

I suggest to you that maybe we have become slaves to the concept of the anti-monopolistic legislation; maybe we have become so imbued with it that we fail to see what could be done with a little bit of arrangement between several companies. There is nothing wrong, for example, for one of these big companies building a certain product for the whole of Canada, and another one a washing machine or a toaster or something of that sort and getting the advantage of volume and efficiency.

Here again, I would encourage the hon. Minister to move bravely, enthusiastically and determinedly. Nobody is going to blame him for trying. Mistakes are bound to be made, but ingenuity and real ingenuity is the order of the day, Mr. Chairman. Unless we do it we are in trouble because, remember this: As the hon. Minister said so well the other day, western Europe, which was destroyed economically as the result of the last war, has gained its feet and is moving forward rapidly and effectively.

It is no longer a question in Canada, in Ontario, of sitting by and saying we will sell to these people who need our products. It is now a question of saying how can we compete with people who are producing products for the foreign market cheaper than we are producing them—and, in fact, knocking, as the hon. Minister said, on our very door to sell their products here.

Mr. Chairman, all I say is that the situation today is serious, very serious. I am not saying it is critical, I am not a person who is imbued with any gloom about this thing at all. The answer is there, the opportunity is there, but it will not be done by mere expression of word. It must be done by positiveness and positive policy. I suggest, Mr. Chairman, that the hon. Minister obviously has a good grasp of this subject and is very intelligible about the subject, but

from what we have heard thus far there has been no determination, no specific determination of policy for the translation of these ideas into programming. I would define them specifically in conjunction with northern Ontario as I did at the very outset. What about freight rates? What about power rates? What specifically is the government going to do? If it is going to encourage—as I think it must, because our national economy depends as has been said, on agriculture and natural resources—and commit itself to a low tariff for a free trade area—then what is it going to do about the manufacturing industry? How is it going to be consistent in protecting it?

I do not think we can protect it with tariffs. I think we can protect it by using our imagination in such a way that we sell that product at a competitive price, at a price as cheap as or cheaper than it is being sold elsewhere. If that means we have to make certain sacrifices—and particularly if the government has to make taxation sacrifices—they should be made. In addition I would encourage the hon. Minister to consider the advisability of calling a conference of management and labour. I think he will find these groups are very, very anxious for leadership and direction. I do not think they want dictation. I recognize that. But I think, as I have talked to members highly placed in unions, and to members highly placed in industry, there is a desire today to set goals. I think we have gone beyond the time when it is a bad thing to talk about planning. I have said this many, many times.

Mr. D. C. MacDonald (York South): The hon. leader of the Opposition (Mr. Wintermeyer) has not.

Mr. Wintermeyer: I certainly have, Mr. Chairman.

Mr. MacDonald: It is a platform of socialism.

Mr. Wintermeyer: I have never said that. Mr. Chairman, I am not changing. If one wants to go back to the very speech I made last year I think I used the same phraseology.

There must be goals and everybody—industrialists at large—have committed themselves to this. No more effective appeal has been made in the last 12 months than was made by Mr. E. P. Taylor who made a dramatic demonstration in Halifax last summer of the willingness of leaders in industry to re-think some of our traditional patterns

and to co-operate with government, to co-operate with labour, to effect a formula that will permit us to compete and expand here.

Mr. Chairman, it is therefore my primary suggestion this afternoon that we recognize that the mere recitation of old platitudes, the mere recitation of words, the mere recitation of facts, are not enough. The hour is late, the time has been ebbing away ever since 1945 and I do not know, Mr. Chairman, but that we will have to act much as one acts in an emergency. I think we should adapt and gear our thinking to this concept. We should treat this as a very, very serious problem and be prepared to do things that we may not have been prepared to do 15 or 20 years ago, or that persons were not disposed to do then.

My contribution to the debate this afternoon would be a personal appeal to the hon. Minister that, in addition to all the economic theories, in addition to the concept of whether our gross national product is going up or down, and exports versus imports and development, we think of the simplicity of the situation. I think he hit the nail right on the head when he said we are really interested in our jobs and we are not creating enough new jobs in our secondary industry in Ontario, and we have not done it for a long, long while.

I think when this country, back in 1917, had 9,000 separate institutions there was probably a lot of pioneer work that was required to be done, and manufacturing grew rapidly. Now we have entered an entirely different phase. Now we are a mature group, a mature country, with a very small population, a scientific ability to produce in quantity, but likewise a high cost area. I think that a simple direct approach to this problem would recognize that if we are going to meet the competition we must meet it in dollars and we cannot expect sacrifice of any one group as opposed to another. But we can ask co-operation of all the important aspects of our economy, namely, labour, management and government, and ask that they sit down and co-ordinate their efforts.

Herein, Mr. Chairman, I say to you, the government must take the lead. I have called for an economic council heretofore. I support it now, but there is only one person, Mr. Chairman, in Ontario at the present time who can do anything about it, and he is the hon. Minister opposite who has been charged with this development.

These industrial leaders will come, these labour leaders will come, these leaders in agriculture will come to give advice and help

and assistance, but fundamentally they are looking to the government for leadership and direction.

They want the goals to be determined, they want the rules of the game to be set out, and they will pursue them. But I say to the hon. Minister opposite that he must set that policy and he must make those determinations and he must fix those goals rapidly. In what has happened thus far I give him full credit for enunciating the problems, for outlining the area of solution, but thus far, Mr. Chairman, I must tell you I have not heard any concrete evidence of positive programming and policy that will really do something about the solution to these problems.

Now, he talks about immigration. Personally I would tell you, Mr. Chairman, that I feel that immigration in another context is an answer to this problem. There are those who fear immigration. I just wish that more and more people had come to this country for a long period in the past and I wish that we had a programme now that would encourage people to come here in large numbers.

This would create employment. This would develop a home market. Now we have to encourage specialists to come, if we do try to bring them, but is it not a reflection on our failure in the past? Surely it is justified for an Opposition to say, why do you have to bring specialists in science and engineering at this critical stage? Is it not demonstration that preparation was not made when it should have been made?

Mr. Chairman, maybe a little ingenuity will work. Has the hon. Minister ever thought of working a trade arrangement with some of the British West Indies, areas that are growing and are going to grow very rapidly? Why do we not make an arrangement to permit some of those people to come here? Maybe they eventually could become a province of Canada and then maybe we would expand our market very dramatically into an area of the western world that is going to grow, an area that will prove to be a bridge between North and South America some day. I would think that this type of thinking might capture the imagination and demonstrate a willingness to look at reality and, what is more, would add so greatly in the area of trying to come to grips with a problem that is going to be on our doorsteps—in fact is here now—the very moral problem of what to do about the multi-racial problems, the colour problems in the world.

Well, Mr. Chairman, this afternoon I do not come, as I said at the outset, to criticize for the sake of criticism. The time is serious,

the hour is late. I simply suggest that what has been outlined here this afternoon is in broad context supportable, but I find myself in the position where I must question whether or not the tough decisions have been made, the decisions that will not be popular; but the decisions that a government must bear the responsibility to make, the decisions which will determine whether we are going to stress exports or manufacturing, the decisions that will determine whether or not we are going to subsidize freight rates and power, the decisions whether or not we are going to be prepared to break with tradition and bring management and labour together and help them to share a common future that will permit, I am sure, of encouragement from all sources.

I think these are all the problems we should be talking about, Mr. Chairman, rather than the scientific problems of growth rates, the scientific problems of gross national product and the like. This problem is simple. This problem is not as complicated as one might think. But there is a lot in it that requires statesmanship. There is a lot in it that requires espousing the unpopular. There is a lot in it that requires a man to get out and move ahead of public thinking at a given time. And this, I think, is what is required more than anything else, that the leaders opposite move out ahead of public opinion and project themselves to what the situation will be, not next year, but 25 years from now.

Twenty-five years from now, what we are talking about will all have come about in varying parts of the world. I do not think we will be quarrelling as we are now quarrelling between management and labour.

Twenty-five years from now, I say that the challenge will be in the area of skills, and I commend the hon. Minister here in this respect: that he recognizes and sets some money aside for scholarships so that we can perfect our skills in this area. One researcher, Mr. Chairman, who can come up with some new idea is worth many, many persons who perform the routine. And I think that this is to be encouraged. But I regret that it was not done sooner and that we have to employ so many specialists and experts from Europe.

Well, Mr. Chairman, those are my observations by way of introduction to these estimates. I am repeating myself, but I do so because I want to be understood completely. I do not want to disagree with what has been done. I say however that there is no demonstration that the tough decisions have been made. I think they are yet to be made and they must be made.

I regret that what has been done was not done earlier. We can do nothing about it now. However, we do have the right now to say to the government: What are you going to do about what I would term these tougher decisions? And these are the decisions that will distinguish the government and distinguish this province in its economy from some of the other areas with which we are competing.

If we are to compete effectively, sir, we must demonstrate more imagination and that imagination is not sufficient in the area of quality perfection or a little change here and there, but in a fundamental reorganization of our thinking and the economical development.

Mr. Chairman, it will be my opportunity, as the opportunity of all others, to speak in more detail on the individual items and of that opportunity I will avail myself.

Hon. Mr. Macaulay: Mr. Chairman, I wonder if the hon. member for Woodbine (Mr. Bryden) would permit me to make just a few comments in relation to the hon. leader of the Opposition (Mr. Wintermeyer), who has just spoken?

First, as the hon. leader of the Opposition has given indication, he did note that we are going to study a number of these services as to whether they require outside support.

First of all, just let me mention freight rates. I am sure hon. members realize now that about \$50 million a year of the federal government's budget is put into what is called a "roll back"; it is a subsidization of the rates. I am sure you will realize that in the case of Ontario Northland Railway there is a form of a subsidization presently prevailing under two grounds; it is being subsidized really to about the extent of \$2 million.

First of all, there is an investment by the province of \$30 million in the Ontario Northland Railway which bears no interest, and this amounts to about \$1,500,000 a year. Secondly, the communications system has a profit of about \$900,000 a year, and this is turned into the general operations of the freight of the railway, to carry freight. So, actually, there is a subsidization of freight rates of the Ontario Northland Railway, in this indirect way, of about \$2.5 million.

In terms of electrical rates, electricity and so on, we are looking at this very earnestly; because, as the hon. gentleman has indicated, we have come through one period, have approached quite a sharp turn on the road, and there is quite a tradition related to Hydro and its management, its relationship to

this House. As hon. members know, this is a very sensitive area. We have given this problem of general services, and what purport they should have, to the economic council, to send to one of their committees.

In relation to the second question of the hon. leader of the Opposition about the Ontario Development Fund—"Where will the funds come from?"—there are many ways in which this can be done. Manitoba, I believe, has a programme of matching contributions by industry. Quebec has talked about a programme—I do not think any money has actually been lent. It sounded as if it was going to be either by way of guarantees of municipal loans—this is an interesting programme, we can discuss it at another time—or perhaps by raising money in the province by the sale of bonds especially designated for this fund. These are two areas.

This is one of the reasons why we have given this matter to the economic council, to come up with a good programme, at which time we can look at it and see. There is no money provided in the estimates for this, obviously, because it is not yet known whether there is a policy to go ahead with. But we do want to study it to see whether the traditional lending institutions are unable to handle the areas, and what areas they are, and whether they need encouragement, and so on. Where there is a will, there is a way.

As for the comments of the hon. leader of the Opposition—well, one word that is often used is "monopoly," but another word, perhaps, is a combination of companies to enable them to compete. His comments in this regard are very intelligent, in my opinion, and follow the course which we have been taking in relation to our own department in negotiations with the federal department. There has been, for many years, a general resistance toward liberalizing the general laws relating to monopolies; but there is no doubt that the experience of Great Britain is that the British electrical industry would have gone under in relation to competition with the European Common Market had it not been permitted to make sensible realignment. And here in Canada we have much unused capacity.

I should have mentioned in relation to freight rates—I do not want to get into a discussion with it—the policy of the government was indicated some time ago. The policy has not changed; we are looking at these matters generally; but I am sure that the hon. gentleman has looked at the MacPherson report of the Royal commission on

transportation, and what he recommends is absolutely the contrary to the recommendation of the MacPherson report. I would also point out that in terms of the Ontario Northland Railway, which is an interline railway—it is a connecting line because it does not run south of North Bay, except by a trucking system—the problems of freight rates subsidization is an immense one, really, because we have to negotiate these rates with the railways beyond there. It is a very large problem.

The hon. leader of the Opposition also made reference to the management and labour conference. Well, I will be frank and acknowledge to him that on our economic council we have the president of the Ontario Federation of Labour, we also have Mr. Donald Gillis, who is the president of the Mine, Mill, Smelter Workers' Union at Sudbury, and Mr. Roland Hill, who is the nominee of the provincial Building and Construction Trades Council, and Canadian director of International Union of Operating Engineers, together with a number of other industrial, agricultural and government representatives. And it is the intention of the council to organize conferences somewhat along the lines mentioned by the hon. leader of the Opposition.

What I was anxious to have was to have these people work together really in a common cause, where the things they were fighting for brought them together, before we got into any areas which might bring them apart. And I am hoping that, after a few months, these people will conduct some investigations into industrial research, and the tourist industry, and government incentives and inducements to the realignment of industry, and so on; and that these people will come more and more to work with one another, and realize that we are all in this thing, every one of us—as the hon. gentleman has indicated—and we have all to succeed together, because none of us will succeed separately.

In relation to what the hon. leader of the Opposition has indicated I can say one thing, in my own defence, I think. The hon. leader of the Opposition has indicated that he hopes that this list of 20 points is not just a pious incantation, and he hopes that some of these things, if not all of them are carried out—and I think he believes me when I say that I do intend to see these are carried out.

Mr. E. W. Sopha (Sudbury): This is the platform for the next election, is it not?

Hon. Mr. Macaulay: No, this is not—

Mr. Sopha: Part of it?

Hon. Mr. Macaulay: This is part of it, but it will be—I would want to say, however, in all fairness to the hon. gentleman, I mentioned an economic council; this has been established. I mentioned the second plank, the survey of the ONR, this is now under way and we will have the report in a matter of weeks. The \$7.2 million extension to the ONR communication system is now under way.

The Ontario Research Foundation satellite organization is now under study and I contemplate that it will not be long before this is brought into operation. The increased grants are before the House today for the Ontario Research Foundation. The creation of the northern Ontario development committee has been established under the chairmanship of Mr. Clark. The agriculture committee has been established. The housing programme has been presented in a general way, and will be in more detail today. The committee on industrial incentives has already met and is under way.

The bill is here before this House on the amalgamation of the three systems. The tourist committee has been established and has now started to work. The committee on the Ontario development fund was announced, I understand, by the chairman of the economic council yesterday. And so on. Hon. members can go through this list and will find that a great many of these are now in operation.

Mr. K. Bryden (Woodbine): Mr. Chairman, as hon. members know, I sit for the constituency of Woodbine in the east end of Toronto. Immediately to the west of that constituency is the constituency of Riverdale, as it is known provincially, or Broadview as it is known federally. It is almost exactly the same geographic area, although there are different names for the constituency federally and provincially.

The gentleman who sits for the federal riding of Broadview is the Rt. hon. George Hees, the Minister of Trade and Commerce in the federal government, and the gentleman who sits for the provincial constituency of Riverdale is the hon. Minister of Commerce and Development (Mr. Macaulay) in this government. It has been a matter of some interest and even amusement to me, Mr. Chairman, as a neighbour of that constituency, to watch the increasing frequency with which the provincial member jabs the elbow into the federal member.

The hon. Minister of Commerce and Development has now pretty well completed the

take-over of the government of the province of Ontario, and now he is moving in to take over the federal government, starting with The Department of Trade and Commerce, but with advance forces already moving into The Department of Citizenship and Immigration.

Mr. Sopha: I hear he is going to run against Walter Gordon.

Mr. MacDonald: A drippy tap; why does the hon. member not turn it off for a moment?

Mr. Sopha: I thank the hon. member for those few kind words.

Mr. MacDonald: They were realistic and appropriate, not only kind.

Mr. Bryden: I would say, Mr. Chairman, that I would agree with the hon. Minister to this extent. I do not think we should rely entirely on the federal Department of Trade and Commerce; certainly we should do what we can to help, but I think the hon. Minister in his zeal has gone far beyond that. He has got himself stumbling all over the jurisdiction of the federal Department of Trade and Commerce in a way that will undoubtedly be most confusing to that department and, I suspect, to his own department.

In fact, I was rather interested in the statement he has just made. He was much more specific about what he was going to do in the federal field than about what he was going to do in the field over which this government has jurisdiction. He had very definite and concrete plans in the federal field, but as far as the field of provincial jurisdiction is concerned, where his government has some authority, his statement, as far as I could make out simply from listening to it—he has sent me a copy of it but I have not had time to study it—as far as I could make out, it consisted of re-statements of announcements that have already been made or of statements to the effect that the government or the department planned to study various matters. In fact, such phrases as “study the advisability of” or “investigate the need for” crop up frequently in the hon. Minister’s discussion of what this government is going to do within its own field of jurisdiction.

However, I will say, Mr. Chairman, that I am very glad, even though it may be a matter that more appropriately is in the federal area, that the hon. Minister is contemplating, in fact I think has decided, to send a trade group to Europe, I presume with the purpose of trying to promote the sale of Canadian products in Europe. That is a useful purpose but when it is there it will

no doubt study what is going on in Europe and it will no doubt study and report back to the hon. Minister exactly the same thing as a similar group Mr. Hees sent over there some time ago reported back to him—that the countries of western Europe are making very great strides economically, primarily because they have given up various 19th century inhibitions and are engaging in economic planning.

That is what Mr. Hees' trade group reported to him among other things, and I have no doubt that since the hon. Minister will undoubtedly appoint intelligent, observant men to his trade group they will report the same to him; and even though the group may not sell very many Ontario products over there, at least they will bring back a report which will undoubtedly contribute to the education of the hon. Minister, and that is a useful role in a democratic society, too.

It is rather regrettable, Mr. Chairman, after the many advance announcements we have had as to exactly what the government was going to do and as to the very fine things the hon. Minister had in mind, that all we have really is a series of announcements of 20 unrelated items, some of which are merely items of study, some of which are merely pious hopes, and some of which have already been announced to us two or three times before, and some of which are not even in the government's jurisdiction. I had hoped, and I was really encouraged to believe from newspaper reports of speeches that the hon. Minister had made previously, that he was coming around to the idea of planning, but his statement today does not seem to indicate it. It is sort of a hit-and-miss proposition; catch-as-catch-can; based on the hope that a little stimulant here and a little makeshift there may add up to something or will be useful.

But the fact remains, Mr. Chairman, and surely it is being recognized more and more even in Canada, that without economic planning we are not going to solve the kind of problems with which Ontario is faced today, and which the hon. Minister is trying to deal with. I would say that for a person such as myself who has advocated economic planning for a long time it is gratifying to find that at least this is no longer a dirty word. True, the word is still resisted in some quarters, notably by the Canadian Chamber of Commerce which is experiencing real difficulty in finding its way into the 20th century, but it is nevertheless possible to talk about it in respectable company. After reading the story that was on page seven of the *Toronto Daily Star* on Saturday, I am not sure that

I am in respectable company at this moment, but even so, Mr. Chairman, it is now possible to talk about planning without being accused of communism by anyone other than perhaps the Canadian Chamber of Commerce. In fact, politicians of the Conservative and Liberal variety now find that they have to talk about planning, and they are doing so in increasing measure.

The problem is that to date they have done little more than talk about it. The federal leader of the Liberal Party, for example, has talked vaguely about the need for "new planning arrangements with a sense of constructive purpose and urgency," but the only concrete suggestion he has made is to establish a full-time economic council to conduct research into economic trends in all parts of Canada and to undertake systematic examination of new problems. References of that kind can be found, for example, in the *Toronto Daily Star*, October 16, 1961. The national economic council that the Liberal leader is talking about sounds remarkably like the productivity council of the present federal government, which has been a complete flop as far as any contribution to planning or to economic development is concerned.

It is an axiom of Canadian politics that the Conservative and Liberal parties have regularly stolen ideas from the New Democratic Party and, before it, from the CCF. But in this case, they have unfortunately not stolen the idea, they have merely stolen the word.

Mr. Whicher: We stole Mr. Argue too.

An hon. member: You can have him.

Mr. Chairman: Order.

Mr. Bryden: This becomes very clear from the budget statement of the hon. Provincial Treasurer (Mr. Allan) and the economic statement of the hon. Minister of Commerce and Development (Mr. Macaulay) and his further statement of today.

The budget, for example, is declared to be "the first step in a new five-year plan." But when one tries to discover something about the plan, one is confronted by vague statements such as the following on page five of the budget statement:

Under this plan our aim will be to maintain an adequate rate of economic growth consistent with the financial capacity of the province.

—it would be very hard, Mr. Chairman, to find anybody who would disagree with that platitude.

A study of the hon. Minister's economic statement discloses nothing but more of the same kind of vague statement. On pages 29 and 30, for example, one finds the following—and I am quoting two or three sentences that appear on those pages:

Our economic policies can be summed up in one word: "growth." The government pledges its co-operation and support to industry. In co-operation with industry, labour, agriculture, commerce and science, we will do our utmost to ensure the greatest possible economic growth in Ontario.

These are noble statements, Mr. Chairman, but it is time we faced the fact that we will not produce economic growth merely by talking about it or wishing for it. To say that we are aiming at growth begs the question. What is required is a clear indication of the degree and kind of growth which the government is aiming at both in the short term and in the longer run, and the methods by which it expects to achieve it.

The hon. Minister of Commerce and Development is apparently pinning most of his hopes on the new Ontario Economic Council. I would like to read what he originally said about that in his economic statement. What he said today is really just elaboration on what he said in the earlier statement, so I will content myself with the earlier statement which appears on page 30 of the economic statement, as follows:

We are looking to the new Ontario Economic Council to come up with the answers to many of our economic problems. Committees are now being established to study and report on specific subjects, such as the tourist industry, industrial research, industrial development, agriculture and development in northern Ontario. As I stated before, the activities of the council will not be limited to the investigation of problems over which the Ontario government has jurisdiction; we are going to look into anything and everything which affects the Ontario economy and use every method open to us to safeguard our interests and promote economic growth and development in this province.

An economic council of the kind which has just been set up could play a dynamic role in the development of the province, but in the context in which the hon. Minister has placed it, it will be little more effective than a trapped bird, flapping its wings in futility against the ceiling. As the hon. Minister himself has stated, the economic council cannot and should not take over the functions of government, but as long as the government

abdicates its own responsibilities, and there is certainly nothing to date to indicate that it is not abdicating its responsibilities, then there is very little for the council to do.

The hon. Minister seems to visualize it as a sort of research agency; it is going to conduct various studies, he says. I must say I lost track of all the studies these committees are going to conduct. I have come to the conclusion that perhaps the hon. Minister thinks if he gets enough studies conducted and printed he will solve the unemployment by putting people to work on research and printing. I do not know, but he certainly is going to have a lot of studies.

I would suggest to him that the research function can be better carried on by full-time personnel in his own department, and if he needs more such personnel, as he may very well do, I for one would be happy to vote him the money required. The council consists of very busy men who really have no time for research. What will happen, of course, is that such studies as are undertaken will be produced by the departmental staff. The hon. Minister surely does not think he can fool us into thinking that these men who are on the council or its committees are going to produce the actual studies. The council will no doubt review them before they are finalized, and this will be useful, but it seems a rather small function for such a large council.

I am a great believer in research. I believe that continuing economic studies should always be under way as to both our current economic situation and our future prospects.

At the same time, I am mindful of the fact that one of the oldest excuses known to man for inaction is the claim that a subject is under study. If we wait until all possible facts have been amassed and digested, we will never act, because we will never get them all amassed, not even with the new calculating machines they are developing.

There is enough information available right now for the government to draw up clear-cut, comprehensive plans and to announce those plans. True, its plans will undoubtedly have to be revised in the light of future experience but that will always be the case. It is no excuse for failure to plan now.

In the second half of the 20th century, it is no longer possible to accept the 19th century economic mysticism that if private individuals and companies are left to pursue their own economic self-interest, making such private decisions as appear to them

most likely to contribute to that self-interest, the sum total of these unrelated decisions will miraculously become the maximum economic well-being of the community as a whole.

Economists of 100 years ago even used to talk of an invisible hand which led to this desirable result. It is time we got over the childish notion that an invisible hand will solve our problems for us. It makes no more sense for governments to fail to plan the development of the economy as a whole than it would for the management of a private business to fail to plan the development of that business, and any management that failed in that respect would not be in business for more than a week.

I recognize that, fundamentally, planning is the responsibility of the federal government. It is imperative, however, that there should be close co-operation between the federal and provincial governments. Otherwise, they could easily negative each other's efforts.

For that reason the New Democratic Party proposes in the programme it adopted last August that a federal-provincial planning and development council should be set up to provide a regular channel of co-operation and co-ordination between the two levels of government. I would suggest that the hon. Minister, through his intergovernment relations branch, should pursue this idea and urge it upon the federal government and the other provinces.

Moreover, in a province of the size of Ontario, a great deal can be done at the provincial level even in the absence of constructive leadership from the federal government.

We should always be prepared to work closely with that government without challenging their jurisdiction altogether, and we should urge upon it a more mature and meaningful approach to planning than it has now. But we should also be prepared to proceed on our own. The government should determine the rate of economic growth it thinks Ontario can achieve.

I am getting tired of hearing statements to the effect that we want growth with no indication of what the government thinks is feasible as far as growth is concerned. And I think that such estimates should be in terms of not only the coming year but the next few years; we should have both a short-term and a long-term forecast and the forecast should be formed on the basis of our knowledge of the manpower and resources available.

I would like to emphasize further, Mr.

Chairman, that I do not mean that the government should merely estimate the growth which it thinks will take place if nature is left to take its course. What it should do is estimate the growth of which we will be capable if all our manpower and resources are fully employed, after making reasonable allowance, of course, for fractional unemployment. It should then devise policies of public investment, encouragement to private industry, and so on, which it hopes will achieve that rate of growth. And I want to emphasize again that its policies should all be in terms of an objective, the objective should be stated, and then the policies should be formulated in relation to that objective. They should be part of an integrated whole, and as far as possible they should be announced as such.

It is not good enough for the hon. Minister of Commerce and Development to say, as he said on page 29 of his economic statement:

We are designing specific policies to encourage economic growth in Ontario. The government has already announced a new 12-point housing programme and the establishment of the Ontario Economic Council. Additional programmes will be announced to the hon. members shortly.

And a few more were announced today.

But I would like to emphasize, Mr. Chairman, that this is the old-fashioned, unplanned bits-and-pieces approach. A makeshift here, and a stimulant there, do little more than create confusion. It is imperative for private industry to have a clear idea of what the government has in mind, not only what it has in mind at this moment but what its total programme is. Otherwise, it will be impossible for industry to adapt itself to the government's plans and, as I will try to indicate in a moment, close co-operation between the government and the private sector is the essence of good planning.

At this point, I would like to make one further suggestion with regard to the planning of the government. I think the time has come when it is insufficient for a treasurer of a province, particularly in a large province like this, to do as the hon. Provincial Treasurer did once this year, and that is present estimates of revenues and expenditures for one year only. Most businesses develop their plans on the basis of about three years, and I think that the government should be prepared to start estimating its requirements on a three-year basis. Certainly they would have a more specific budget for the one-year period on which the voting of funds would be based, but they should also have three-year forecasts

of their requirements so that industry will have some idea of where it stands as far as future government activity is concerned. This is all a phase of planning. The government has mentioned a five-year plan in the budget, but for the life of me I cannot see any evidence of it yet or any evidence of anything that even looks like it.

Getting back, however, to my suggestions as to just how planning could be undertaken, I would like to state that in my opinion it is not sufficient to think in terms merely of aggregate growth; there are two important modifications or refinements that should be made.

Firstly, it is important that we consider the quality as well as the degree of growth we have in mind. We cannot go on much longer starving ourselves of essential social capital. There has to be some balancing of the various demands for investment funds—as between social and private purposes and also among various private purposes.

Secondly, we have to consider the degrees of growth that are possible in various sectors of the economy. Let us assume that we set ourselves what I consider to be the quite reasonable objective of a 25 per cent increase in our gross product in the next four years. Clearly, the rate of growth needed to produce this increase could not be achieved uniformly across the economy. Some industries have much greater opportunity for expansion than others, and we naturally expect them to have a faster-than-average rate of growth to compensate for a slower-than-average rate elsewhere. These variations necessarily have to be taken into account in any plan that may be developed.

So much then for the kind of objectives the government should set for the economy. It would take too long for me to attempt to outline in detail the kind of measures I think it should develop in order to achieve those objectives. I would, however, like to call attention to the fact that the main determinants of growth are foreign trade and investment.

Foreign trade is something over which we have only limited control, even at the federal level. Certainly everything possible should be done to stimulate trade and, as I said before, I agree with the hon. Minister that we in Ontario should not rely entirely on the federal government, although I must say he somewhat took my breath away by the extent to which he plans to substitute for the federal government. He apparently has very little confidence in the department operated by his hon. colleague out there in the east

end. We should do what we can to supplement that government's efforts to stimulate trade and, above all, Mr. Chairman, we should always consider ways and means of assisting our own industries in becoming more competitive.

But when all that is said and done, the amount of trade we can expect is, to an important degree, determined independently of us. In making economic plans, therefore, our only possible course is to make realistic estimates of the level of trade we can expect and then adjust our procedure accordingly.

This makes investment the most important single factor in economic planning, because investment is a function over which we can exercise considerable influence. Our great problem at the present time, and I have gone into this at some length before so I will not dwell on it now, but it is a point, apparently, which the hon. Minister is unprepared to recognize—our great problem at the present time is the inadequacy of private investment, and the recently published figures of investment plans for the coming year do not indicate that this inadequacy will be anything like fully remedied.

The lesson is plain. The government must compensate for the lack of private investment with public investment. I would like to emphasize, however, as I have emphasized before, that the investment programme should be planned and co-ordinated. Preferably, it should be devised and carried out co-operatively by the federal and provincial government, but even if we assume that the present refusal to face either facts or responsibilities will continue to dominate government thinking at Ottawa, I think Ontario should be prepared to work out and announce a co-ordinated programme of its own. It is my submission to you, Mr. Chairman, that notwithstanding the spate of announcements we have had and perhaps indicated by that spate of announcements, the government has no co-ordinated investment programme; it is merely drumming up policies to meet temporary emergencies as they come along.

Now in the context of economic planning which I have just outlined, I would submit, Mr. Chairman, that the new economic council, which the hon. Minister has appointed, would acquire functions that are worth performing, as distinct from the functions it now has which may be useful but in view of its size are a little bit in the nature of using a pile-driver to crack nuts. It is a council of very distinguished people with a great many subcommittees, most of which are going to be responsible for preparing

reports which will probably be prepared by the staff in his department anyway.

I would suggest, in the context of economic planning, that a council like that, and the various sub-agencies which the hon. Minister has suggested, have a genuine function to perform—and a useful one. No one suggests that any government is all-wise and least of all this one. The members of the economic council and its subcommittees have a vast fund of experience and knowledge that could be of incalculable value to the government in arriving at its overall objectives and in devising plans to meet those objectives. The government has to take ultimate responsibility, but to enlist the co-operation of business, labour, agriculture and other sections of the community in drawing up plans, is the best way of ensuring the co-operation of these groups in carrying them out.

These groups can be particularly helpful in the detailed working out of the plans. As I have already indicated, it is not sufficient merely to set ourselves an overall objective. That objective has to be broken down into specific objectives for specific sectors of the economy.

Under the economic council, there should be specific industrial panels or working groups through which management, labour and others in specific industries can work together, not merely in preparing reports but in setting objectives and in figuring out ways of achieving objectives for their industries. This is the sort of thing that is going on in Europe; they are not content merely to write reports, they sit down and say, "There is an overall objective for the economy as a whole; what can our particular sector contribute to that? To what extent can we contribute to overall growth? Just what is a reasonable objective for our sector and how can we achieve that objective?" That is a meaningful activity and a highly useful one. And it would permit the groups on these various panels or subcommittees, or whatever you want to call them, to work together not only for their own benefit but also for the benefit of the community as a whole.

We hear a great deal these days about the need for labour-management co-operation, and we have heard a fair amount about it from the hon. leader of the Opposition (Mr. Wintermeyer), including some comments today. I would like to suggest to you, sir, that most of the comments that have been made on this subject are nothing but pious platitudes, because we will never achieve such co-operation in any meaningful sense under our present "every man for himself" philosophy.

If management has no larger role to play in economy than merely to make profits—and I am not saying there is anything wrong with that—but if that is to be their sole objective, then they will naturally concentrate on making profits regardless of the secondary effects of any of their actions elsewhere in the economy. That is just human nature. Similarly, if labour has no other function than to get what it can in the way of wages and other benefits, then it will concentrate on that.

But if both of them are brought together with government and other sections of the community to help in developing and implementing plans for the benefit of the whole community, they will have a more meaningful role to play than they have now. I would like to stress, Mr. Chairman, that I am not talking about bringing them together to hear nice little Sunday school lectures about the value of co-operation or about how we should all pull together, being all citizens of this great country and all having interests in common.

We all know that; everybody knows that. But the point is they are not given any opportunity to participate directly in the planning of the development of the country, mainly because there are no plans for that development. If we can bring them together, make them in ways such as I have suggested and as are now being applied in other countries a natural part of a meaningful process which is the planning of the development of the whole economy, then we can expect that while they will, while continuing to look after their own private interests, relate those interests to the overall benefit of the community. What is even more important, they will be assured—and I think this is very important—that any immediate sacrifice they may make will be for the benefit of the community as a whole, including themselves, in the long run, and not merely for the profit of some other individual interest.

I would say that it would be perfectly ridiculous, for example, to ask the employees of a large profitable enterprise to forego a wage increase, when the only effect of it is that somebody else is going to get a bigger chunk of the pie. But if their activities are related to overall development, then I think that our working people and our management groups will be just as responsible as those in Europe; and it has been demonstrated that those in Europe, given the opportunity to participate and given the leadership by the government, they do take a thoroughly responsible attitude to the community and to

their responsibilities to it. It is only through economic planning, and not through pious platitudes, that true labour-management co-operation will come about.

Now, Mr. Chairman, I would like to stress the point that planning, as I envisage it and as I have tried to set it forth this afternoon, does not involve detailed interference in the day-to-day operation of businesses in this country. That is an old bogey that could well be laid to rest, and I hope will be laid to rest in the near future. The government has to give leadership; it has to set objectives. It has to consult with industry and labour and others, but it has to take responsibility for setting objectives and for indicating the ways in which those objectives are to be realized. Within that overall framework, there will still be all the scope in the world for private initiative and private decision. In fact, the scope will probably be greater because there will be more continuous expansion.

Mr. Chairman, it is undoubtedly not apparent to the House as a whole that I am being knocked a little bit off stride by two absolutely conflicting sets of heckling from the Liberal benches. From one direction I am being told that I am absolutely right and that the Liberal Party agrees with me entirely, and from another direction I am being told that I am absolutely wrong and that I am planning to lead the country down the garden path to socialism.

Mr. Chairman, I do not wish to assume any responsibility for the ambivalence of the Liberal Party, and I suppose you are powerless to protect me against this ambivalent heckling, but I thought the House might be interested.

At any rate, Mr. Chairman, to complete the point I was trying to make, the essence of sound planning is that the government sets objectives but its intervention actually is limited really to a very narrow area, to the critical point, shall we say. I would say right now that the government should intervene, and in a much more wholehearted way than it is doing, with a full-fledged investment programme to compensate for the lack of private investment. And if, as would undoubtedly happen if they did that, private investment reached the point where there was a danger of serious inflation as we had a few years ago, then obviously the government should slow down public investment and probably should take steps to put the brakes on private investment. But that degree of regulation is really only at the margin. Economic controls can be exercised by operating on the margin in key areas of the economy, leaving the day-to-

day decisions still to be made by private individuals as they have always been made.

One last suggestion I would like to make, Mr. Chairman, is that although I have considered for a long time that economic planning is not only necessary but also feasible, I think the feasibility of it becomes greater every day. Industry has now developed calculating machines which, I think, when put to work on some of our baffling economic problems, will assist us very greatly in refining the indicators that we now use in attempting to forecast economic growth and other economic development; and also in applying those indicators in a much more accurate manner than we now do.

Economic forecasting is a matter of judgment; we just cannot get staff big enough to work out all the variables that should be taken into account, but business machines are reaching the point where a lot of those difficulties are being met. I am certainly no expert on business machines but I would think that the kind of machine that can, out of very scattered preliminary returns on a national election in the United States, predict with quite a remarkable degree of accuracy the ultimate outcome of the election, could be put to use for, I think, something that might be a little more useful to us—and that is trying to forecast exactly where our economy is heading.

As we refine our techniques for analyzing the economy and forecasting probable future growth, we will of course be able to make plans that will be more and more precise in counteracting anticipated developments that are considered undesirable. At any rate, Mr. Chairman, the need for planning has surely now been established beyond all conceivable doubt. It is unfortunate that the department, which I presume in this government is mainly interested in planning, apparently has not developed any overall plans. It has no views, that I have been able to determine, as to what rate of economic growth we should have in this province, what rate we need to produce full employment, what rate we should be striving for not only this year but over the next three or four years—all we have is the same old series of disjointed announcements by the hon. Minister, many of which are very useful in themselves but which when taken together do not add up to anything in particular. They certainly do not add up to any plan to solve the very serious problem of economic stagnation with which we have been faced for the last four years at least, and with which, according to any present indications, we will likely be faced at least

until 1965, and probably further, at least until the point when the crop of war babies start to move into the family formation field themselves.

Now, Mr. Chairman, I think that is really too long to wait for a dynamic stimulant to our economy, and it is regrettable that neither this government, nor the government at Ottawa, is prepared to take the advice of qualified people in the business field, as in many others, to try to use public investment as a substitute for inadequate private investment and as a stimulant which the economy so sadly lacks at the present time.

Hon. Mr. Macaulay: Before we go to vote 301, which I assume now that we have had the general declaration of comment from each of the three parties, we will proceed to, may I make several suggestions as to how we might best proceed if I could, sir? There is nothing in my estimates relating to the Ontario Northland Railway, and it may be that a number of members in the House would like to speak on the Ontario Northland Railway. Could I suggest to you therefore that the Ontario Northland Railway discussion follow vote 311, which completes the discussion of the three—the foundation and the development commission and the Ontario Northland Railway? Would you put them together there—the Ontario Northland Railway at the end of vote 311?

Might I make one other suggestion and that is—since 306 is an administrative vote and 312 is a capital vote—that we might discuss 306 and 312 together and pass them together as vote 306.

One other comment I would like to make, if I might, Mr. Chairman. I am greatly obligated to the staffs of the departments, although no reference has been made by the hon. members opposite. I frankly want to say that, while I deserve no credit myself, in the short time that we have had to put these two departments together, to alter the programme which we have now presented to the House has really been a mammoth job for the staff.

They worked nights, days, Saturdays and Sundays and I am very deeply obligated to them. I will mention some of them by name when we go through the various votes but just in the beginning I would very much like to have the opportunity of expressing here, sir, my gratitude as a Minister—and, I think, this House's gratitude—to three persons who have been of tremendous assistance in the reorganization of these departments, which has been a larger job than it may appear.

First, of course, is Mr. Gathercole, the Deputy Minister of the department, who has been a tower of strength to me, and attains the highest standards, I think, of our public service. Secondly, Mr. Clarkson, who has been the Deputy Minister of Energy Resources, and who is the assistant Deputy Minister of Commerce and Development, a very fine Canadian gentleman; he is a young man and he has done yeoman service with reference to these departments. I am very grateful to him. The last is Mr. Etchen, who is before me with Mr. Gathercole at the table; Mr. Etchen is the director of the finance and administration branch, and I will now refer to him and others as we go through the votes.

Mr. Chairman, if it is now agreeable to the House, perhaps we can get on to the separate items.

Mr. Whicher: Mr. Chairman, before we get into the items there are a few general remarks I would like to make about this department.

The first thing I would like to do, Mr. Chairman, is to congratulate the hon. Minister on the speech he gave us this afternoon outlining the programme he has for the department. It was certainly given with great sincerity and I have no doubt in the world that he fully intends to do those things that he has said that he will do, here this afternoon. However, there are some things—and a few of the points we have not had an opportunity to study—but there are some points, perhaps, we might disagree on, or about which we might have some comment.

In congratulating the hon. Minister, Mr. Chairman, I wish that the people of the province of Ontario had the opportunity to hear him this afternoon because to me it was the greatest indictment of the Conservative Party and their governing ability during the past 10 years that I have ever heard any living man give.

How anybody, Mr. Chairman, can stand up as he did this afternoon and tell us in the 20 points, telling us the things he is going to do and, in the same breath tell us, for example, I will give you item No. 12. I have not got it in his words because I have not had the opportunity of studying his speech, although he kindly sent it over to me, but in the notes that I made myself, he was going to study the tourist industry and he was going to attempt to turn the deficit that we now have in the travel industry into a surplus. Mr. Chairman, what I ask is this: if the hon. Minister of Commerce and Development (Mr. Macaulay) is going to take on

this job, what has the Minister of Travel and Publicity been doing for the last 15 years in this province? That is what I would like to know.

Time after time we have heard the hon. Minister of Travel and Publicity (Mr. Cathcart) stand in the House and he has told us what he has done in the past year, his plans for the future. He has told us that we are a great tourist province, that everything is under control, and yet this afternoon in point No. 12 that the hon. Minister of Commerce and Development has given to us he has said, by telling us what he is going to do, that the hon. Minister of Travel and Publicity has been negligent in his duty. I defy anybody to say otherwise.

But I am not so worried about point No. 12, because there are three or four more that I wish to bring to the attention of the House.

First may I say, and I think I made myself clear in my opening remarks, that if the hon. Minister by taking over The Department of Travel and Publicity can change our deficit into a surplus, that we on this side of the House are all for it. We are all for many of the other things that he has suggested. We know perfectly well that we must manufacture more goods in this province ourselves in order to employ more labour and that we must manufacture them so that we can sell them in the province of Ontario and also sell them in the foreign markets of the world. If that is the basis upon which the hon. Minister has spoken, and I believe it is, then we are certainly all for it.

But let us look at another point, point No. 7. In the Ontario Economic Council, point No. 7, he is going to have an agricultural committee, and in describing this agricultural committee he told us that his department was now studying a sale involving some millions of dollars in new markets, involving I presume farmers' produce of the province of Ontario. Mr. Chairman, I ask this: where has the hon. Minister of Agriculture (Mr. Stewart) been for the last few years? Why has he not looked after this? Is it necessary that we have to have a czar, a man who runs not only the Cabinet, he is taking over The Department of Agriculture, as well as The Department of Travel and Publicity.

Let us go on a little bit further, because in point No. 20 he says this—these are just the notes that I have—"We are now going to have a new immigration policy. We are going to get professional and technical trades

personnel from foreign countries and have them come into the province of Ontario as immigrants." May I respectfully say to the hon. Provincial Secretary and Minister of Citizenship (Mr. Yaremko): what has he been doing for the last number of years? Is it necessary that the Conservative government has to give all the powers that are incorporated in their government into the hands of this one man? Is it necessary that the hon. Minister of Economics has got to bring in technical and professional men? If such is the case, my suggestion to the hon. Prime Minister (Mr. Robarts) is fire the hon. Minister of Citizenship; there is no use in having both of them.

But let us go on a little bit further—

Hon. Mr. Robarts: This is nice constructive criticism!

Mr. Whicher: The hon. Prime Minister is in danger of being fired himself because of point No. 9. As I have made my notes, we find here that the hon. Minister of Economics is going to retrain the labour force in the province of Ontario. Labour certainly should be retrained, in my opinion, and I agree with him 100 per cent. But in the same breath he admitted, if I copied properly, he admitted that this was really the business of The Department of Education and The Department of Labour; so, I tell the hon. Prime Minister, he may be going out the door too.

There was one point, however, where I think that he could have gone a little bit further. I refer to point No. 13, and here he said—. Before I get to point No. 13, I am going to go back for a minute, Mr. Chairman, to No. 1 where the hon. Minister is going to create an Ontario economic council. I say to hon. members that if this is going to help us employ our labour in the province of Ontario; if it is going to help industry that is not getting along too well, put it on its feet; if it is going to help us manufacture goods to sell in the province of Ontario and to sell in foreign markets; then I am all for it and I hope that the Ontario Economic Council will be a success. But I ask you, Mr. Chairman, in reality the economic council of the province of Ontario is the Cabinet that is sitting over there. They have been sitting there for many years and here they are asking a body of responsible businessmen and responsible citizens of this province to do a job and put the economy of the province of Ontario on a plane where they should have put it in the past number of years.

Mr. MacDonald: Is the hon. member in favour of it?

Mr. Whicher: I am absolutely in favour of it, because they have not been able to do the job.

Mr. MacDonald: They obviously cannot do it because they have not the power to act.

Mr. Whicher: They have the power.

Mr. MacDonald: The hon. member should make up his mind which way he is going.

Mr. Whicher: I know which way I am going.

Mr. Chairman, my point is simply this: if the Ontario Economic Council can help industry and labour and citizens of the province of Ontario, then we are all for it. But by setting up this economic council he has torn the former hon. Minister of Economics (Mr. Allan) all to shreds, because by proposing the 20 points that we have here this afternoon he is condemning the former hon. Minister for not doing one single solitary thing.

Mr. Chairman, I wanted to get to a point where I feel that the hon. Minister really did not go far enough. I might say it is the only one, but point No. 13, as I read it, is the study of creating an Ontario development fund in the Ontario Economic Council. He told us that he has set up a committee to study this.

Mr. Chairman, I have every sympathy with what the hon. Minister told us a moment or two ago when he said it had been a tremendous job to get this department functioning as he wishes it to function. He paid tribute to several of the men who helped him, and certainly I agree with what he said. I know that it was a big job, but let me tell you, Mr. Chairman, that the proposition of setting up an Ontario development fund did not just come five minutes ago, it did not just come when the hon. Minister of Energy Resources (Mr. Macaulay) became also the hon. Minister of Commerce and Development. It came into being during the past many months, I would say, and particularly when the hon. Minister was on the leadership campaign in the province of Ontario.

I think I would not be doing my duty if I did not point out to the people of this province that now is the time we want this development fund. Now, not a year or two years from now. We want to get the show on the road, the economic way of life on a higher plane than we have at the present time.

Let me just quote to hon. members something that the hon. Minister has said. For example, in the Peterborough *Examiner* on October 18 of 1961 he is quoted as follows:

The first step is to form an Ontario development fund which would be self-liquidating. This should be used to help four special areas of endeavour. First, non-industrial or depressed areas; second, areas wishing to expand existing industries; third, tourist industries; and fourth, agriculture.

Mr. Chairman, I want to go on record: with the hon. Minister I am in complete accord, but my question is this: where is the fund? Where, in these estimates that we are going to pass this afternoon or some afternoon, where is there any indication that this fund is going to be set up?

As I recall what the hon. Minister said, he suggested that in this economic council there was a subcommittee being set up to study the possibility of an Ontario development fund. But that is not what he said in Peterborough on October 18 last. Furthermore, he went on to say this:

Small loans must be made available to small businesses. We in Canada are now in a desperate fight for economic survival.

Mr. Chairman, this is exactly the same man speaking in Peterborough that was speaking to us here this afternoon. I agree with the hon. Minister that small loans are necessary for small businessmen in this province. I agree that it would do a great deal to help get the economy on the road again. But my question to the hon. Minister is this: where in these estimates that we are about to pass is there any indication that we are going to have any small loans for small businesses?

I take hon. members now to another fine newspaper in the province of Ontario. It is the Toronto *Daily Star* and it is headed "Tories Need a New Image." It comes from Picton and I quote as follows:

Mr. Macaulay elaborated on one proposal he intends to present at the convention and developing if he is chosen leader, to create a multi-million dollar Ontario development fund, accumulated by floating bonds among Ontario people. This fund, he said, would help create new industry by offering loans. Ontario people, he said, would be putting money in their own development.

My question once more, Mr. Chairman: where is the Ontario development fund? We are getting tired of study in this Legislature, and as two of the hon. members have said

before here this afternoon, what we want is a little bit of action. In order to create action and get industry on the road again in this province, we need a development fund, as the hon. Minister has said on numerous occasions.

I quote one more speech that the hon. Minister made, quoted in the *Globe and Mail* of October 25, 1961, in which he says:

He said he would like also to establish a large development fund which would lend money to create new industry, expand industry and encourage small business and tourist trade.

Mr. Macaulay said that he believes in the development of what he called an all-Ontario policy, a policy under which every part of the province would be promoted.

Now, Mr. Chairman, with that I most heartily agree again, but my question to him is where, in the speech that he so capably delivered this afternoon, is there any indication whatsoever that he is going to look after, for example, Bruce county? He said that he was going to look after all parts of the province. I suggest to you, Mr. Chairman, that as far as the province of Ontario is concerned, most of the development in this province in the last number of years and under the Tory regime has taken place in the city areas and the rural areas have been neglected.

It is all very well for the hon. Minister to stand here this afternoon and tell us, or tell us as he did in October when he was running under a different star, that he intends to develop all of the province of Ontario. My question to him here, Mr. Chairman, is how is he going to develop the rural areas of the province of Ontario—because we would be very interested—and when it is going to happen?

Mr. Chairman, it is not my intention to take too long as far as my opening remarks are concerned. Once again I tell hon. members that there are many of the points with which I can agree. On the other hand, there is much repetition, a great deal of repetition, in what the hon. Minister has said. For example, in Nos. 16, 17, 18, and 19 points of his 20-point programme, they are as follows, and once more I impress upon hon. members that I have only rough notes.

No. 16, he is going to establish trade missions, he is going to sell in foreign countries and Europe first. No. 17 is foreign offices and added staff. Well now, Mr. Chairman, I would suggest that these are one and the same point. There is no use having 20 points

just for the sake of numbering when in reality there were about four or five good ones here and they should have all been put together.

For example, No. 18, the creation of a trade office in Europe, and No. 19, manufacturers' co-operative agencies. I would like to ask this question, Mr. Chairman: what is the difference between trade missions and trade offices, because obviously if a mission is going to go anywhere they have to have an office somewhere in some foreign country in order to do their selling. What is the difference?

Mr. J. H. White (London South): They are entirely different.

Mr. Whicher: The hon. member is going to get into trouble because the hon. Minister of Agriculture (Mr. Stewart) cannot hurt my feelings; but he should not hurt the feelings of the "deputy minister of agriculture," the hon. Minister of Economics (Mr. Macaulay), because he is going to be selling the hon. Minister of Agriculture's goods from now on, or at least part of them. I hope he sells them too!

I might say, Mr. Chairman, before I sit down, that I do wish him every bit of success. There is only one way that we are going to get the economy of the province of Ontario on the road again, to make the show a success, and that is change the manner in which the hon. members opposite have been doing business in the past few years. In the hon. Minister's speech this afternoon he has definitely told us that the policies of the Conservative government in the province of Ontario in the past have not been successful.

Of that, Mr. Chairman, we are sure. What we are not sure of is that the policies that he has presented for the future will be successful; but we certainly hope that he will devote his time and energy and that five years from now, or within a reasonable length of time, everyone in this province, in this wealthy province, will be working again and have respectable wages. And we will be selling our goods, not only to our own people in Ontario, but to foreign lands all over the world.

Mr. E. W. Sopha (Sudbury): Do you want to call it 5 o'clock, Mr. Chairman? I imagine I would need about six minutes.

Mr. MacDonald: It should be remembered that there are a few others who would like about six minutes also. Three or four others have spoken in general terms and the guillotine should not drop—

Hon. Mr. Robarts: Mr. Chairman, I would like to make reference to the way the estimates are being conducted and it was only a question of time until we got to this point.

We started out originally permitting the hon. Minister to make a general statement about the affairs of his department, he was then followed by the hon. leader of the Opposition (Mr. Wintermeyer) and the hon. leader of the ND Party (Mr. MacDonald). It has been obvious, from where I sit, that gradually this has broken down until now every hon. member in the House feels he has a right to make as long a general statement as he pleases on any estimate, and this just brings the matter to a head.

I have watched this develop through the estimates that have been considered and I would suggest to the Chairman that we revert to what is the proper procedure, namely, the hon. Minister makes a general statement, the hon. leader of the Opposition makes a general statement, the hon. leader of the ND Party makes a general statement, and then other hon. members of the House on any side who wish to speak may speak on the individual votes. Thus we will have a much more orderly approach.

This, of course, is the traditional approach to the estimates, that has been followed in this House, at least as long as I have been here.

Mr. MacDonald: Mr. Chairman, I can say that I agree with the hon. Prime Minister (Mr. Robarts), but my only protest at the moment is that he is dropping the guillotine in the middle of the estimates, when there have been three or four from one group and there are a few of us who may have some general remarks. If the hon. Prime Minister wants to institute this with the next body of estimates, I will support him.

Hon. Mr. Robarts: I am a very co-operative man, Mr. Chairman, and we will get through the estimates of this department in the present improper way as we are doing it, and then I would suggest to the Chairman that from here on we follow the procedure. Then everyone will know exactly—and I do not want my hon. friends from the other side to feel that I am attempting to stifle them, because I am not, I am only attempting to bring a little order into what is rapidly approaching chaos.

Mr. Wintermeyer: Mr. Chairman, before this is finalized, I want to make one point emphatically clear, that I have no great disagreement in principle here. But I want to

make it likewise clear that there are 23 members here who want to perform the function of the Opposition and I think that if we are going to have this rule, then on the individual estimates you must allow great latitude, Mr. Chairman.

I am not suggesting that under a specific item that is detailed for one specific consideration that we talk about something else that should be discussed under another item, but I would hope that no one is denied the opportunity of making an expression as broad as he may wish to make it at some time during the consideration of the detailed items.

Hon. Mr. Robarts: Mr. Chairman, I would like to get this matter straight. Last night I adjourned the House for lack of speakers on the budget debate. This is the traditional form in which an hon. member may speak covering any department.

What has happened recently is that not only do we get into the position where we are getting general speeches before the estimates are even dealt with, but then we are getting general speeches on every item of the estimates.

Now it seems to me if we lay down a procedure and follow it, no one will be stifled, everyone can speak as they like. But let us speak in the proper place and in the proper order in which the business of the House should be called.

Everybody will have an opportunity to speak, but I think we must follow the rules of procedure as they are laid down and this is what I am suggesting the Chairman do in the future.

Mr. A. F. Lawrence (St. George): Mr. Chairman, I am speaking to a point of order. I would like to bring to the attention of the hon. Prime Minister (Mr. Robarts), the hon. leader of the Opposition (Mr. Wintermeyer), and the hon. leader of the minority group (Mr. MacDonald), that there are a few other persons in this House other than leaders of the parties. There are a few other people in this House who do not belong in the executive council of the government, there may be a few other people who would like to make general statements.

I cannot see anything wrong with having a Cabinet Minister making a short general statement on the purposes and the policies of his department as he sees them, but for the life of me I cannot see why a similar privilege should be extended to the hon. leader of the Opposition and the hon. leader of the minority

group if that privilege is not also granted to every other hon. member of the House.

Mr. MacDonald: The hon. member is just breaking down the rule the hon. Prime Minister has proposed.

Mr. Lawrence: Yes, I am. I would say with the utmost of sincerity, that in my opinion I would feel that the Cabinet Minister should make a short general statement and that should be it. From then on we go into the estimates of that department, and if any hon. member of this House wishes to speak in detail, that is the time. If he has got a general statement to make, that is the purpose of the budget debate. Surely some of the hours that we are putting in in this House are too long, because too many hon. members are speaking too often on each one of these.

Hon. Mr. Robarts moves that the committee of supply rise and report progress and ask for leave to sit again.

Motion agreed to.

The House resumed: Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report progress and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, we will go on with these estimates and budget debate on Thursday, when there will be a night session.

Hon. Mr. Robarts moves that when this House adjourns the present sitting thereof it do stand adjourned until Thursday next at 3 o'clock.

Motion agreed to.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 5:05 of the clock, p.m.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, March 15, 1962

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 15, 1962

The House met at 3 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests in the west gallery students from St. Francis of Assisi Separate School, Toronto; and in the Speaker's gallery, a group from the legislative institute of the United Rubber Workers of America.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Mr. G. E. Gomme (Lanark), from the standing committee on private bills, presented the committee's seventh report which was read as follows and adopted:

Your committee begs to report the following bills without amendment:

Bill No. Pr37, An Act respecting Riverview Health Association.

Bill No. Pr38, An Act respecting The Windsor Board of Education and The Windsor Suburban District High School Board.

Your committee begs to report the following bills with certain amendments:

Bill No. Pr7, An Act respecting the City of London.

Bill No. Pr28, An Act respecting the City of Hamilton.

Bill No. Pr35, An Act respecting Laurentian University of Sudbury.

Your committee would recommend that the following bill, having been withdrawn, be not reported; and would further recommend that the fees less the penalties and the actual cost of printing be remitted:

Bill No. Pr20, An Act respecting the United Townships of Medora and Wood.

Mr. Speaker: Motions.

Introduction of bills.

TRANS-CANADA PIPE LINES LIMITED

Hon. J. W. Spooner (Minister of Lands and Forests) moves first reading of bill intituled, An Act respecting the tax payable by Trans-Canada Pipe Lines Limited under The Provincial Land Tax Act for the years 1958, 1959, 1960, 1961 and 1962.

Motion agreed to; first reading of the bill.

THE VARIATION OF TRUSTS ACT

Hon. A. K. Roberts (Attorney-General) moves first reading of bill intituled, An Act to amend The Variation of Trusts Act.

Motion agreed to; first reading of the bill.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, I anticipate that my hon. friends opposite would like an explanation of these new bills as I go along. This bill merely provides for the filing of an order made under The Variation of Trusts Act by the registrar of the Supreme Court with the clerk of the surrogate court in the event that the trust affects any will or other document that would normally pertain to the surrogate court jurisdiction.

THE MORTGAGES ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Mortgages Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Again anticipating the same requirement, Mr. Speaker, the purpose of this bill is to require notice of an intention to exercise a contractual power of sale under a mortgage to be given to those concerned. However, provision is made under which this general rule may be relaxed or set aside by the court in appropriate cases. In substance, it means that a mortgage contractual relationship of that sort, with a provision that a sale may take place without notice, could not operate in that way except within the provisions of the required notice, contained in this amending Act.

THE LOAN AND TRUST CORPORATIONS ACT

Hon. Mr. Roberts moves first reading of bill intituled, An Act to amend The Loan and Trust Corporations Act.

Motion agreed to; first reading of the bill.

Hon. Mr. Roberts: Again, Mr. Speaker, anticipating the same request, the amendment will reduce the minimum amount required to be paid in on directors' qualifying shares from \$1,000 to \$500. It will make possible a wider distribution of the capital stock of trust and loan companies by reducing the par value, statutory par value, from \$10 down to as low as \$1.

Under present section 78 a trust company that maintains a common trust fund is required to file and pass before a judge of a surrogate court an account of its dealings with the fund at least once in every three-year period. These amendments will dispense with judicial accountings unless required by the registrar of loan and trust corporations, or requested by the trust company concerned.

Mr. K. Bryden (Woodbine): Mr. Speaker, before the orders of the day, I would like to direct a question in two parts to the hon. Minister of Labour (Mr. Warrender) as follows:

1. Is there any truth in reports now current: (a) that the chairman of the conciliation board appointed to conciliate a dispute between the Royal York Hotel and Toronto local, operating engineers union, has suspended proceedings of the board on the grounds that, in his opinion, there is no basis for conciliation; (b) that the Toronto local has applied to the international headquarters of the union for authority for its members employed by the Royal York Hotel to go on strike?

2. If so, what action does the department plan to take in the light of these developments?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, in reply to the question, I may say that the hearing before the conciliation board was held yesterday, Wednesday, March 14, 1962, at Toronto.

From inquiries which I have had made, I understand that full representations were made to the board, briefs were presented and efforts were made to bring about a settlement in the dispute. Our further understanding is that a settlement was not reached, and the board of conciliation is to consider and prepare a report which will

be submitted to me as Minister of Labour, in accordance with the requirements of The Labour Relations Act.

No statement, I am informed, was made by any member of the board that the proceedings of the board were suspended on the grounds that there was no basis for conciliation. This board, composed of three men of long experience in this type of work, Magistrate J. A. Hanrahan, Mr. G. S. P. Ferguson and Mr. Drummond Wren, dealt with the problem in the ordinary way provided for by legislation. A settlement was not reached and I expect a report from the board in due course. I have no knowledge as to whether or not the Toronto local of the operating engineers union has sought permission from its international headquarters to engage in a strike.

A legal right to strike will not arise until the board of conciliation has reported to me, and seven days have elapsed after the report has been released to the parties.

As to the second part of the question, I am given to understand that the board urged the parties to resume negotiations upon receipt of the report and an assurance was given that this would be done. I think that we should await the outcome of these further negotiations, which will reveal whether or not any additional assistance is needed.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the orders of the day, I wish to direct a question to the hon. Prime Minister (Mr. Robarts). While I think he will be able to answer today, perhaps he will want to take the—

Mr. Speaker: I would ask if this is the question submitted to the Speaker's office today.

Mr. Wintermeyer: Yes.

Mr. Speaker: I wonder if the leader of the Opposition could hold the question? It came a little late to the Speaker's office and the answer is not available. I think it would be better from the point of view of procedure to keep the question and answer together.

Mr. Wintermeyer: Mr. Speaker, I am not going to make a big issue about this. I think you have made an informal arrangement that questions must be submitted to you. I would only make this suggestion to you, that some consideration be given at this session to debating the advisability of

strict adherence to that particular arrangement.

I think you do have a point here, and I do not intend to make a big issue of it now. But it does put us at considerable disadvantage, because in respect to this particular question, we were advised that it would be in order to submit the question to you, and then subsequently we were advised that it was too late.

Now, I do not think that is exactly the way a House of this sort should operate.

I am going to say nothing more at this time. I presume you do not want me to ask the question and I will abide by your ruling. But I would ask, some time in your discretion, that an opportunity be provided that we debate the advisability of pursuing this rule religiously.

Hon. J. P. Robarts (Prime Minister): Before the orders of the day, I should like to make an announcement concerning York University.

I am very glad to advise the House that, as a result of successful negotiations between ourselves and the federal government, a large site will be provided in North York township for the main campus of the university. The property is approximately 465 acres and is located on the south side of Steele's Avenue, running between Jane and Keele Streets. It will be transferred to York University free of charge.

I should like to express our appreciation of the federal government's co-operation and of its clear understanding of the university problem in this rapidly expanding part of the province. In particular, I would express our appreciation for the co-operation given us by Rt. Hon. Prime Minister Diefenbaker and the hon. David J. Walker, federal Minister of Public Works, who have both taken a personal interest in this matter.

The land in question is part of a 654-acre tract that was purchased in 1954 by the federal-provincial housing partnership and held in reserve to provide for future public housing needs in Metropolitan Toronto. It has now been determined that the property is surplus to those needs and can be given to York University without prejudice to the housing programme.

The book value of the land is approximately \$1.3 million but its market value approaches \$3 million. The federal government has agreed to sell its 75 per cent interest to the province on the basis of the book value plus interest and carrying charges. We, in turn, will deed the land to the university

as an outright gift, to be used only for the purposes of education and research at the university level. Should it become unnecessary to use the land for these purposes, it will revert to the partnership on the same basis as it is presently held.

This acquisition will make possible the creation of new university facilities that will accommodate an estimated seven to ten thousand students within the next decade. It will fully satisfy the site requirements for university development in the Toronto area for some years to come.

Since the land acquired by the federal-provincial partnership in 1954, approximately 18 acres have been dedicated to North York township for park purposes and 36 acres of flood-land have been sold or donated to the Metropolitan Toronto conservation authority for Pioneer Village. During the past year, Metropolitan Toronto has asked the federal-provincial partnership to construct a rental housing project of approximately 500 units on some 100 acres fronting on Jane Street, to the west of the conservation authority property. This matter is under consideration at the present time and construction would presumably commence following the development of public housing projects in the Thistletown area, which projects are now being planned and will be started during the summer. Also, during the past year, negotiations have been under way in connection with a further 33 acres which the conservation authority wishes to purchase in order to expand the facilities in Pioneer Village.

This leaves the remainder of the property—approximately 465 acres. Last year, Metropolitan council came to the conclusion that this land was not required for housing purposes and that its acquisition for York University's main campus would in no way prejudice the housing programme which Metro has in view for the next 20 years. This decision has been endorsed by North York council, the Metropolitan Toronto housing authority and the Metropolitan Toronto conservation authority, which will be next-door neighbour to the university.

This step is of the greatest significance in the development of university facilities in the Metropolitan Toronto area. Within the area, as indeed throughout the whole province, the university picture is affected by three influential and interrelated factors; the first is that our population is expanding rapidly; the second is that the proportion of university age persons within our rapidly growing population is itself increasing quite markedly; and the third is that today we have

a much larger proportion of our university age population desiring to go on to higher education.

It is estimated that by the early 1970's Ontario's university enrolment will be between 90,000 and 100,000, more than double the present enrolment. In order to meet this situation, the government has assisted in the establishment and development of a number of new universities, including the University of Waterloo, Essex College at Windsor, Laurentian University at Sudbury, the Lakehead College of Arts, Science and Technology and York University. I might say that our grants to universities have increased from a total of \$19.3 million in the 1957-1958 fiscal year to \$43.9 million in the coming year.

By the early 1970's the Metropolitan Toronto area will need university accommodation for at least 30,000 students. The University of Toronto has a registration of about 14,000 at the present time, but studies have indicated that its enrolment should not exceed 23,000 if it is to maintain its high academic standards and efficiency. This leaves a gap of 7,000 student places by 1970 in Metropolitan Toronto, a gap which can only be filled through the rapid but careful development of additional university facilities in the area.

York University was established in 1959. It opened in September of 1960 with 75 students in temporary accommodation on the University of Toronto campus. Last September, it moved to a new \$2 million building, financed by the province, on the 82-acre Glendon Hall estate near Lawrence and Bayview Avenues. It now consists of 216 students and 32 faculty members. The latest studies indicate that the pace of York's development must be accelerated more rapidly than had previously been anticipated if the needs of the 1970's are to be met. A second university of major proportions must be provided in Metropolitan Toronto as soon as possible, consistent with sound educational planning.

Since its establishment in 1959, York University, in collaboration with the municipality of Metropolitan Toronto and its constituent municipalities, has been looking for a site which would accommodate a large and growing university and which would be readily accessible to the rapidly expanding suburban population of Toronto. When it became apparent that these requirements would be ideally satisfied in the Keele-Jane-Steele's property, we undertook to negotiate with the federal government in order to acquire the federal interest. This has now been accomplished and we propose to deed

the property to York University without charge.

Mr. V. M. Singer (York Centre): Mr. Speaker, I wonder if the hon. Prime Minister (Mr. Roberts) would permit a question arising from his most commendable statement?

There was an announcement in the Toronto papers a day or two ago that York University planned to spend, I think some \$5 million, as I gathered, on their Glendon Hall property. In view of this announcement, will that be abandoned and will York University be able to take possession of this Steele's-Jane property immediately or reasonably soon?

Hon. Mr. Roberts: Mr. Speaker, this will be available to them immediately and I think it might very well result in some revamping of their plans, but I have not discussed this with the board of governors.

Mr. Speaker: Orders of the day.

Hon. J. P. Roberts (Prime Minister) moves that Mr. Speaker do now leave the chair and the House resolve itself into committee of supply.

Motion agreed to. House in committee of supply; Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF ECONOMICS AND DEVELOPMENT

On vote 301:

Mr. E. W. Sopha (Sudbury): Mr. Chairman, you may recall, sir, that I was on my feet when the House adjourned the other day in consideration of this estimate. I report to you that I followed with great care and great attention the lengthy introduction made by the hon. Minister of Economics and Development (Mr. Macaulay), of his estimates; I followed with great care the remarks made thereafter by the hon. leader of the Opposition (Mr. Wintermeyer), and my colleague the hon. member for Bruce (Mr. Whicher) and the remarks of the hon. member for Woodbine (Mr. Bryden).

I have had an opportunity, of course, since hearing all that the other day, to assess the impact of all that occurred. And I felt, sir, that bearing in mind the great vigour and energy with which my hon. colleagues and the hon. member for Woodbine descended upon the hon. Minister, that perhaps he was not all that deserving of being completely damned, as he was.

I tell you, sir, that so far as I am concerned, the hon. Minister will, in my books and in the

books of many other people resident in northern Ontario, go down in history as being one of the very first Tories that ever discovered northern Ontario. I think during the hectic campaign of late September and last October, the hon. Minister—more so than any other of his hon. colleagues—visited criss-cross and came back again and again to northern Ontario to meet and have close and personal contact with the very fine people who live up there north of the French.

Now, it has been a complaint for many a year—I speak now in reference of course to his announcement if you want me to keep close to vote 301; his announcement about the formation of a northern development committee, I think it was. The *Sudbury Star* at one time conducted a survey of the government of Ontario and found exactly six people—a Cabinet Minister and senior civil servants, charged with the responsibility of the administration of government—who were from northern Ontario.

Now I would not be one to guess that the total number—certainly we have 22 Cabinet Ministers, and if we added to that number all of those in senior positions of responsibility in the civil service, we would come up with, I think, quite a dramatic number of people. If we took, say, 200 people, then of the 200 the *Sudbury Star* discovered that there were exactly six who were either born in northern Ontario or had lived an appreciable part of their lives there.

For example, the name of one comes readily to mind and that is the Deputy Minister of Labour (Mr. Metzler). He is a northerner and apparently, aside from the two hon. Ministers that we have from the north, there are exactly three more. I never took the trouble to identify who they are.

So, in this new attention to northern Ontario that is testified to in the estimates of the hon. Minister's department, we are entitled on the one hand, of course, to look at it very warily and very cautiously, but then on the other hand, to be fair, one must commend these forward steps so far as they result in some concrete action to enhance and forward the development of that great area that comprises some four-fifths of the land area of this province.

I just want to say in that connection that I have had the feeling since I have been in this House that there may be those souls, there may be those sceptical souls, who are inclined to treat our special problems and pleas for the development of the area, our cries for the establishment of secondary industry, for the expansion of our natural

resources and industries; there may be those who are sceptics, and we have heard the pleas and the cries and the wails for so long now that the effect of those pleas has somewhat been mitigated and vitiated. Therefore, sir, I say, by the establishment of this committee, perhaps the hon. Minister is going to take a new tangent, bring about a resuscitation and a revivification of activity in northern Ontario; and it may be—and I would never be so political as to say that I would decry the approach of the golden age. That was his phrase.

I think that was borrowed from classical times. But if the approach of the golden age is at hand, though it may do great damage to us politically, I would put that aside and go forward into the mighty expansion of the last part of this century with him, and I hope it comes about.

Now there may be some in northern Ontario, sir, who are still a bit sceptical because I note that the *Sudbury Star* had taken note of the hon. Minister's visits there last autumn; they had to this to say, and I will just quote a portion to show the scepticism that still remains, and perhaps I should add for the purpose of keeping the record straight that the *Sudbury Star* is not an organ of public opinion that is known very often to speak in endearing terms of the Liberal Party—shall we put it that way? I might add they do not support the ND Party either. But they had this to say:

The leadership race has taken on every appearance of a provincial general election in the bid for support. Northern Ontario hasn't had as much attention in years as some of the candidates make a pitch for the vote of northern Ontario delegates to the leadership convention. But the north is not likely to be swayed by Johnny-come-lately concern for northern Ontario.

Now they might have changed that to "is not likely to be swayed by Robert-come-lately concern for northern Ontario." That would, in fact, sound a little bit more musical, or poetic.

The record of past performance by aspiring candidates is more solid meat than vote-catching platitudes and the support of some Cabinet Ministers for other Cabinet Ministers will not cut much ice as far as northern Ontario opinion is concerned.

Well, that is the way the *Sudbury Star* looks at it and that is the measure against which that journal and a great many other people in northern Ontario will measure the results of this.

During the course of the hon. Minister's presentation, by way of friendly rejoinder with the hon. Prime Minister (Mr. Robarts), he uttered that this presentation was only part of the election platform. I submit, sir, then, if this is part of the election platform, that we are perhaps entitled at the same time to put our election platform forward. I hastily add, we are not going to do that. We will choose our own time and place for unveiling that very significant and historic document so important to the future of this province.

I would submit, sir, perhaps more seriously, that we are entitled to evaluate the hon. Minister's statements made here by a comparison with utterances made by him on previous occasions.

Specifically, in regard to that, the hon. Minister, during the very exacting and hectic period of speech-making last autumn, unveiled before the public of Ontario what amounted to a four-point programme. It was basically a four-point programme that he was offering and his four points are summed up by the report in the *Toronto Telegram*, well-known for its accuracy especially when it is reporting anything said by Conservative Ministers.

Apparently, these were the four points. He would set up an Ontario economic council to set job standards, time limits, price-tags, so that production will increase and costs fall; second, he would establish an Ontario development fund of millions of dollars, which would help create new industries in pockets of unemployment and assist the agricultural and tourist industries; third, he would open a marketing branch that would parallel and sometimes overlap federal activities in this field; fourth, he would combine The Departments of Economics, Energy Resources, and Commerce and Development.

It is interesting to note, sir—and one will immediately see, who follows such things—that, of the four planks in his platform, he has substantially effected the completion and realization of two. He has combined The Department of Economics, and Commerce and Development. He has not yet effected the combination of those two departments with The Department of Energy Resources, but I suppose that is in the works and perhaps, before the end of this session, we may expect to see legislation that will see the realization of his complete dream in that regard.

I do not know what he will call it, how he will combine all those terms, economics,

energy, commerce and development, and I do not suppose he will ask me either, when he is dreaming up the name to put on it. He has effected the establishment of the Ontario Economic Council. Two of his dreams he has not yet realized; that is, the Ontario development fund. He is on the way—I am in error, and I like to be the first to admit my error; he has in fact, realized the effecting of three dreams, because apparently, plans are going forward apace to open the marketing branches, and I should like to say something about that a little later.

Now, Mr. Chairman, I want to draw your attention to this. As I understood the words of the hon. Minister, the other day, in respect of the Ontario development fund, I should like to dwell upon that for a moment; I copied those words down. He said he did not know if it was government policy to go ahead with it. He said he was taking steps to initiate a study of its feasibility and practicality, by the Ontario Economic Council, and in that regard, he said—almost in parenthesis—that he did not know whether it was government policy to go ahead with it.

Well, I think one does not torture the language too much if one says that his meaning of that phrase, "he does not know if it is government policy to go ahead with it," the real meaning is: "It is not government policy to go ahead with it." I assume it has been discussed in, at least, the circles of the Treasury board, perhaps on a broader Cabinet level, and apparently, for the time being, we are entitled to assert that all the Treasury benches, and those responsible for government policy, have turned "thumbs down" on it.

The hon. Minister shakes his head. I will leave that. Let me come back to his earlier assertion that he was going to ask the economic council to study the feasibility of it. Now I have the hon. Minister nodding, and I always like to be in agreement with the hon. Minister. Last October, one would not have leaped to the conclusion that the hon. Minister felt there was much necessity for study. Not at all. He had his mind made up. We have our minds made up. The hon. member for Bruce (Mr. Whicher), in his very masterful, eloquent and very learned presentation in reply to the motion of the hon. Provincial Treasurer (Mr. Allan), asserted where we stand in respect to the establishment of a development fund and I do not recall that the hon. member for Bruce, anywhere along the line, said that it was our

intention to set up a committee or ask any other body to look into the practicality of the establishment of that fund.

On the contrary. But the hon. member for Bruce said—and the hon. leader of the Opposition (Mr. Wintermeyer) has said it on many, many occasions—that it is part and parcel of the Liberal Party platform, and our intention when charged with the responsibility of office, is to make a fund of this nature available for the stimulation of secondary industry, tourist operators and any other worthy project in the economic life of this province.

The hon. Minister agrees with us. He agrees with us because, from place to place throughout Ontario last autumn, when he was making his speeches, he was quite specific and he was quite definite on this and he even had the figures. He said: "We will make \$100 million available." Oh, yes. I refer to the *Cornwall Standard*, October 7; he said funds which would be available to such a development branch may reach a hundred million dollars. Well, he might have been thinking of five dollars, he might have been thinking of \$25. You see, he gave himself lots of leeway, but he said, he certainly held out and dangled, that nice round figure of \$100 million.

Mr. P. Manley (Stormont): He was appealing to the people of Cornwall.

Mr. Sopha: Oh, yes. My hon. friend from Stormont, Mr. Chairman, has said that he was appealing to the people of Cornwall at that time. Well, we saw in these other clippings that he used that figure in other places in the province. You see, we take a great interest, Mr. Chairman, in the hon. Minister. I am the first one to say—let me be the first one to say—that I have a great deal of respect for the hon. Minister who leads this department.

I admire his mental agility. I admire his intelligence. I admire the amount of learning that he has amassed. I might say, though—so that I do not damn him with faint praise—I might say that he would be well-advised to ask the hon. Minister of Mines (Mr. Wardrope) which Dale Carnegie school it is that he goes to; that he might attend with him there and take two or three quick courses. In addition to learning French, I might say. Well, I think I have made my point.

Hon. R. W. Macaulay (Minister of Economics and Development): Which point was that?

Mr. Sopha: Well, I will sum it up for the hon. Minister again. Last October he did not need any studies, but today when we hear that it is not government policy, that this is another of the items that is going to the great repository of problems, the Ontario Economic Council—and almost wherever one turns now, in these buildings, in the last few days since this organization was established, one hears ricocheting off the walls, that before action is taken in that particular problem, it will be studied by the economic council.

The vice-chairman of Hydro, the hon. member for Peel (Mr. Davis) yesterday used it at least twice, at the meeting of the committee of energy that, "Oh, well, we will give this to the economic council and see what they do with it and then we will find out what it is all about." The economic council, I venture to say, is a permanent Royal commission.

Now it is a pity, Mr. Chairman, that we did not have available to us the *Hansard* reports of the hon. Minister's remarks, but many of us kept careful note of what he said, and I want to turn to his remarks so far as they concern foreign trade.

Be it remembered, Mr. Chairman, I invite you to remember, as I invite all hon. members of the House to remember, that the hon. Minister sits for the same constituency in this House as does the hon. Minister of Trade and Commerce in the federal government.

We must assume that, sitting for the same constituency, there is an accord between them. I would help the hon. Minister along in his learning of the French language by saying, as the French would say, we would think they have established a rapport between them. Well, it is an English word that is borrowed from the French. And I see the hon. Minister of Lands and Forests (Mr. Spooner) by his nod, agrees with me that it is French, and if the English have borrowed it, then that is all right.

Now no one could quarrel with any proposal which would effect an increased sale of our bacon, our butter, our cheese, our electronic products, our nickel, our forest products, and everything else that we have to sell on the world market—and, I might add, even our tomato juice—no one could quarrel with that. But for one who attempts to understand such things, it brings somewhat of a feeling of regret, because so far as the expansion of foreign trade is concerned, that is strictly a matter of federal jurisdiction, and to the extent that the hon. Minister wants to increase his empire by the establishment of marketing agencies in Chicago, Los

Angeles, Prague, London, Paris, Rome or anywhere else—to that extent he is encroaching on federal jurisdiction.

My observation is this: I said he sits for the same constituency as the federal Minister of Trade and Commerce, they are probably very great friends; cannot this object be effected then by the stimulation of the federal government and specifically the urging of The Department of Trade and Commerce at Ottawa to assume the responsibility for such matters?

I have said before, and it bears repeating, that this government is always pleading penury, is pleading that it has no money to meet the responsibilities that it is required to meet under section 92 of the British North America Act. Each year we go farther into debt and have to borrow in the money market and, to that extent, mortgage our future. I feel I am entitled to say, and perhaps I will in that way merely reflect the thoughts of many other hon. members of this House, that we have enough responsibility in looking after those things that are purely provincial without encroaching on matters of federal jurisdiction and for which the federal government is financially responsible.

I am not one of those who can look askance upon a department of this government expanding its area of jurisdiction and increasing the personnel, increasing its responsibilities—if that be accompanied with any sinister motive of expansion and the building of empire for its own sake. Or, put it another way, soon a federal election campaign will descend upon us and it may be that I and others on this side of the House will be called upon to assist our colleagues, our brethren at Ottawa, in endeavouring to enhance their fortunes. I do not suppose we will turn them down, I do not suppose they will turn us down if we ask them, but I think it would be a legitimate criticism of the federal government if we said that in the field of the cultivation of foreign trade, the expansion of the sale of our exports, the federal government has demonstrated great failure.

They have demonstrated that failure conclusively, because last spring in the Ontario Legislature the hon. Minister of Economics and Development, Mr. Chairman, in the presentation of his estimates, said to us that he wanted a sum of money voted from the public Treasury of Ontario for the purpose of opening marketing agencies abroad; and now we in Ontario have to take the tax dollars that we collect in order to pay for

something that is basically and exclusively and peculiarly a matter of federal jurisdiction.

Now, the next thing I would like to speak on, sir, is the hon. Minister's remarks concerning the tourist industry. I approach this with great caution, but I approach this also in the spirit of the knowledge that we in our party have assessed the problems of the tourist industry and on occasion have made remarks about the ills that bother the tourist industry; we have advocated the specific proposals that we would take to assist the tourist industry. Now again, the hon. Minister, in his manifesto—the Macaulay manifesto it might be called—of March, 1962, said that, so far as the tourist industry is concerned, its problems again would go to the Ontario Economic Council. A sub-committee of that council would be formed and the sub-committee would be asked to investigate the tourist industry and make a report, so far as remedial action is concerned, to help.

I say to him, sir, through you, unequivocally, that so far as the tourist industry in this province is concerned, we have had enough studies. We have had enough reports. And what is bothering and militating against the expansion of the tourist industry is well known. My hon. colleague from Bruce (Mr. Whicher) put it very ably and very effectively, and it bears repeating, that if the hon. Minister does not know what is wrong with the tourist industry and what it needs to assist it, then the hon. Minister of Travel and Publicity (Mr. Cathcart) has failed in his job. And I would add that—

Hon. B. L. Cathcart (Minister of Travel and Publicity): Mr. Chairman, I wonder if I might just remind the hon. member that, during the year of 1961, Ontario enjoyed 74.4 per cent of the total of Canada's travel business. That is the figure arrived at by the Dominion Bureau of Statistics. I do not know whether he wants 100 per cent or not.

Mr. Sopha: Well then, if such be the case, why is the hon. Minister of Economics and Development studying it?

Hon. Mr. Macaulay: Since the hon. member has asked a question; if he had looked at the terms of reference of the Ontario Economic Council, which will come under that vote, and I was rather hoping that we could deal with it all at once in that way, he will find that there is a necessity for some kind of a study to determine what financial assistance, if any, can be given to the tourist industry. This is a matter of very serious study, something that does require some study.

There is another fact. With the great changing habits of trading blocs and of people, it is necessary to do a continuing study of these matters, in addition to which the hon. Minister has said he has the responsibility for administering certain aspects of this matter. But there are changing aspects of the tourist industry which must be marked. There are other aspects which do not generally come under his department and what we want to do is generally, with his co-operation—in fact he was one of the ones who promoted this—to make sure that we were doing everything that is possible to aid in collecting and garnering into this province the maximum number of tourist dollars. I would think he would want that.

Mr. Sopha: I do not want to seem to be pig-headed, but it is exactly what I do not want. The hon. Minister in his remarks, passed to me by the hon. member for Dovercourt (Mr. Thompson), said some of the subjects to be studied by the committee on tourism will be the development of suitable attractions and facilities, camping sites, historical sites, domestic and foreign, advertising, government aid and services, liquor policy, financial assistance, through an Ontario development fund and other matters.

Now, beyond asking the hon. Minister of Travel and Publicity about the tourist industry, I was going to invite the hon. Minister to ask the hon. Minister of Lands and Forests (Mr. Spooner). There is a man, capable administrator that he is, a man who, like the hon. Minister himself, keeps himself informed about the affairs of his department and the northern part of the province, who is in contact with tourist outfitters almost continually throughout each calendar year. All the hon. Minister need do is turn to him and ask him what the tourist outfitters want and need; and the hon. Minister need not set up a committee of experts in order to study these things. The answers are there.

I say to you, sir, and I might remind the hon. Minister, that last October, when he was speech-making, he said time and time again that what the tourist industry needed was money, funds—and we will take the trouble to dig out the clipping here. He got very specific on the score. He said they cannot get the money from the Industrial Development Bank; he said they cannot get it through the ordinary bank-lending services. Sometimes if they borrow it through private sources they have to pay as much as 22 per cent interest—that was the very figure he used.

Hon. Mr. Macaulay: That is quite correct.

Mr. Sopha: Well, if such be the case, then what is the necessity for a study of the committee of the Ontario Economic Council?

Hon. Mr. Macaulay: Well now, my hon. friend wants to have, I am sure, a fair and reasonable debate on this, to find exactly where the need is; exactly how these people can best be helped; how the money can be raised; what returns should be expected; what kind of indentures should be given. There are a great many things to be decided long before one gets up and pounds the table about whether something needs to be done or not, this is something I want.

Mr. Sopha: I never pound the table, Mr. Chairman, but I want to say in very moderate tones that there are two problems that face the tourist industry; and if the hon. Minister will allow me to enunciate them—I have struggled to enunciate one of them—one of them is lack of capital. We do not need a committee, I say, to study historic sites.

We have the great, wonderful panorama of the outdoors, provided throughout the province by a merciful providence, which is an asset to be sold to visitors who come from abroad and want to sojourn with us. What the tourist operators need on that score is the availability of ready capital, in order to expand and improve their facilities. Now the second thing they need is a revision of the liquor laws. We have enunciated the specific revision in this House, and I daresay that we do not need a committee to look into what revision of the liquor laws is required.

I sum it up, sir, without going into the details of the necessary vision, and I borrow the very colourful phrase of the late member for Kenora, Mr. Wren, when he said all you need do with respect to the tourist outfitters of this province is take away from them the necessity of being law-breakers and bootleggers. That sums it up, and the hon. Attorney-General (Mr. Roberts) will know what I mean in that regard. Give them the right to offer to their guests, who come from jurisdictions where the liquor laws are more rational and more flexible, and more broadminded—

Hon. A. Grossman (Minister without Portfolio): Where is that?

Mr. Sopha: Many of the American jurisdictions. Many of them.

Hon. Mr. Macaulay: On a point of order, is it necessary to debate the liquor laws under this vote also?

Mr. Sopha: Certainly. I have just read in the speech, where the hon. Minister paid it up. I make the same general comment. The hon. Minister calls to your attention, Mr. Chairman, that I ought not to be dealing with the Ontario Economic Council, and I hope he will not impose upon you or me the strictures that he would use to prohibit me under this vote from making reference to it, because it is difficult to discuss his 20-point manifesto without making reference to the Ontario Economic Council.

Hon. Mr. Macaulay: It is the next vote along.

Mr. Sopha: Well, I understand that; I too have eyes.

Hon. Mr. Macaulay: If the hon. member understands that, why did he say that he cannot discuss it? He can discuss it under the next vote along; that is where to discuss it. He knows that.

Mr. Sopha: The hon. Minister misunderstood what I said. I think that it is difficult to discuss the other things in his 20-point programme, without discussing the Ontario Economic Council.

Hon. Mr. Macaulay: Well, then, discuss it all under that heading.

An hon. member: Including liquor?

Hon. Mr. Macaulay: Yes, if he wants to discuss liquor twice, then take this as part of my programme.

Mr. Sopha: Very well. I do not want to monopolize the time of the House. I thought some of these observations I made might be helpful to him.

Hon. Mr. Macaulay: Yes, they are helpful; but let us give them under the proper heading.

Mr. Sopha: Very well. Perhaps the House will be kind enough to grant me the indulgence to speak once more under that vote. When we come to the Ontario Economic Council—

Hon. Mr. Macaulay: We will look forward to it.

Mr. Sopha: Thank you. There is one other thing under the main office that I want to mention and I hesitate to approach it. I really do.

Mr. D. C. MacDonald (York South): The hon. member has not convinced anybody yet.

Mr. Sopha: Oh, I find it difficult when I wax serious, and I think of myself as such a serious person. That is in respect of the reorganization of these departments. The Department of Economics and The Department of Commerce and Development—the hon. Minister, as we know, became the responsible Minister for both, and I should like to ask him, and I ask him very respectfully, that since the Legislature passed the legislation combining these departments, is it a fact that some senior civil servants in those departments, have found that they cannot carry on and have tendered to him their resignations?

Specifically, would he inform us whether Mr. F. J. Lyle, head of the trade and industry branch, a civil servant for 25 years, who has served this province full and faithfully for 25 years, has tendered his resignation to the hon. Minister; and if he has so tendered his resignation, is it that he is going to other employment or is it for other reasons? Because, in the loss of Mr. Lyle, as I said, we lose a senior civil servant who has been engaged in government service for 25 years; and his special knowledge that has been accumulated over that quarter of a century will mean a very great loss.

Then I should like to also ask him whether there are other senior people in The Department of Commerce and Development who have seen fit to tender their resignations to the hon. Minister since he became head of that department—particularly in respect of one, so far as information comes to us, is concerned. I hope the hon. Minister will correct me, but on the basis of our information one of the senior persons in the department, specifically the head of the public relations department, Miss Rosemary Dudley, was dismissed by the hon. Minister. As a result of that dismissal, and replacement by some other persons, Miss Dudley filed a grievance with the grievance committee of the civil service.

I do not know whether that case has been heard or not but apparently this testifies to some dislocation and some dissatisfaction among the senior civil servants; and let me hastily add, Mr. Chairman, that we in the Opposition are not interested in cultivating disunity, but we have a concern and a duty and an entitlement to know that the civil servants of this province function smoothly, satisfactorily, and efficiently. It is for those reasons only that I have asked those questions of the hon. Minister.

Hon. Mr. Macaulay: I would say to the hon. member that I quite agree with him that

the Opposition as well as the government has a great interest in seeing that the civil service is operating functionally and contentedly, and so forth, and this has been my interest in the department.

He has asked me three questions in relation to employees. One: whether there was a resignation of Colonel Lyle; has it been submitted to me? It has not been submitted to me, but it has been submitted to the Deputy Minister, Mr. Gathercole. As to his reasons for resigning, I am not aware. As you may well know, Colonel Lyle has retired once before, and I understand, at least it was suggested to me, somebody did, that he might go back to Ottawa to work in relation to the Colombo Plan.

I cannot say why it is that he is resigning. He is within a very short distance of retiring from the civil service in any event; and when I came to the department, he indicated to the Deputy Minister that we would want to make a number of extensive reorganizations, perhaps, and that, in that case, he would be more than happy to resign or to retire, or act as an adviser or act in any capacity that I would like.

Now the second question that was asked of me: have any others resigned? I am unaware of any others, and I am advised that there are not.

Thirdly, as far as Miss Dudley is concerned, I did not discharge Miss Dudley. Last year, as you may recall from reading *Hansard*, there was a great deal of criticism of the public relations and publicity aspect of The Department of Commerce and Development, as it was then. I removed the section. There are no longer any public relations or publicity people on the staff.

This was one way I felt that we could economize, reduce the staff; and I might just tell you, as a matter of fact, that I have fewer employees today in the three departments that I manage than were handled by the former hon. Minister (Mr. Nickle) last year in one department. I have done my very best to economize, but to look after the interests of all these people involved. It would be perfectly ridiculous to go on, I felt, with the public relations department, with people able and trained to do that job, if I did not want to have that branch in that department for which I did not think there was a need.

I feel that, in The Department of Economics and Development, all of the public relations will be in action, not in terms of what goes into the newspaper. What I want to do or to have, as hon. members indicated

yesterday, what we want in this province, are action and results. That is what I am going to try to give. As far as Miss Dudley is concerned, she did grieve. She grieved to the grievance board, and the grievance board refused her grievance on the ground that, under the civil service regulations, the job having disappeared there was no ground for the grievance.

Mr. MacDonald: Mr. Chairman, I do not intend to take a great length of time this afternoon. On the other hand, I do not apologize for participating in the general discussion prior to this consideration of these estimates because I think it can be said without any fear of contradiction that there are few issues in Canadian public life at the moment that are being debated more vigorously than the question of economic planning—exactly what constitutes economic planning.

It is no secret that the party I have the honour of leading is a party which has been dedicated to the concept of economic planning from the very time that it came into being as the CCF some 25 or 30 years ago. There are many people who, up until a few months ago, as I would like to relate a little later, were decrying economic planning. Now it just may be that those of us who have been giving detailed consideration to this concept may have something worthwhile to contribute to a general debate; not with any suggestion that we have any final answers, that we are being dogmatic about it; but certainly in recent years economic planning, in many forms, has become the basic approach of government in other than the North American continent. It may well be that the persistent problems which the North American continent now has to contend with as it watches western Europe—that hitherto it regarded with a degree of condescension—with its booming economy, can be solved only through planning. We may have to take a look at how these other parts of the world are doing it and apply some of their approach, namely, economic planning, here on the North American continent.

Now, with regard to the hon. Minister's presentation of some 20 points: as points, they all have a degree of merit. Some of them are new; most of them are painfully old. They are something that has been trotted out in every election for quite some time.

In this great economic potpourri which the hon. Minister presents to us—if I may use another French word, since we are acknowledging the brethren in the rest of this

Canadian family this afternoon—in this great economic potpourri while there is merit in many of the isolated propositions that he puts forward, my chief criticism is that this does not constitute economic planning. As a matter of fact, the hon. Minister himself, with the assistance of the hon. Prime Minister (Mr. Robarts), said that this was their election platform. Not completely—

Hon. Mr. Macaulay: No, no! On a point of privilege, I want to correct this. I left this when the hon. member for Sudbury (Mr. Sopha) was speaking because he was speaking in a facetious mood. While I was presenting the 20 points the hon. member for Sudbury interjected into what I was saying by saying that this was—and I think *Hansard* will bear me out—that this was our election programme. I said no such thing. During the course of the year I expect that if we were in the future to have an election, some time in a year or two from now, I am hoping very much that this kind of a programme would produce a platform on which we could go to the country. I am not looking at this in a partisan, political way, but simply as an economic programme that I think is good for this province.

Mr. MacDonald: The hon. Minister has said that it is not the government's election programme, that he hopes the election programme is going to emerge out of it. I will not argue with him on this point.

In fact, I think one of the reasons one should reserve judgment on each of these isolated 20 points is that if they are tackled with vigour, certainly there is always possible improvement, particularly in a fast-changing world. But I repeat: my basic criticism is that when hon. members add it all up, it does not constitute economic planning on the basis of the experience of Britain or France or Sweden or the rest of Europe. It has gross deficiencies in terms of any basic economic planning.

Hon. G. C. Wardrope (Minister of Mines): Our economy is better, though, than theirs.

Mr. MacDonald: Well now, Mr. Chairman, this may be, since I just made this point a moment ago and apparently it went over the head of the hon. Minister. The point is that our economy is not necessarily better than theirs.

Hon. Mr. Wardrope: Did the hon. member read this?

Mr. MacDonald: The fact of the matter is that the economies of Europe today,

because of the basic economic planning, are booming. They are increasing their standards of living in a part of the world that has less natural resources upon which to build the standard of living. They have full employment, whereas here on the North American continent we are struggling along with persistent unemployment. If we do not do something by way of basic economic planning, then that threat of Mr. Krushchev when he came here a year or so ago will become a real one. He said that he wanted peace. Sure he wants peace, because he says: "In 10 years we will bury you." And they will bury us.

Hon. Mr. Wardrope: They have more unemployment than we have, and they will never bury us.

Mr. MacDonald: Just a minute. They will bury us on the basis of a 6 or an 8 or a 10 or even a 12 per cent increase in gross national products, while we struggle along with a 3 or a 4 per cent increase if it is very good; sometimes no increase and sometimes a decline.

Hon. Mr. Wardrope: Would the hon. member soon live there than here? Does he think he would live as well? He knows their standard of living is lower than ours.

Mr. J. J. Wintermeyer (Leader of the Opposition): That is not the issue.

Mr. MacDonald: This is the issue, Mr. Chairman, if he is repeating this absurd, irrelevant comment—that I would sooner live over there—again this is too inane to deal with, Mr. Chairman.

Hon. Mr. Wardrope: Look at the record!

Mr. MacDonald: In the programme that the government has presented, Mr. Chairman, in the planning of the economy, there certainly is a role for the economic council that he has set up. As my hon. colleague from Woodbine (Mr. Bryden) has pointed out, our chief criticism is that the role this council can play is going to be a less effective one, in fact is going to be in great measure an ineffective one, because it is only an advisory body and we have yet to see evidence that the government is willing to take action. If it were taking the action—

Interjection by an hon. member.

Mr. MacDonald: The hon. member will have a chance to talk later. Please do not interrupt at every point along the way. I listened to his 20 points.

It is described as advisory, though its chief function is to conduct the studies. If it were a serious body and this government were doing some serious economic planning, then the function of a body of this kind in terms of establishing a working relationship with those who were appointed to the economic council, would be a very useful and valuable one.

Mr. Chairman, I want to proceed to the presentation of the Liberal group in the House; not in any provocative sense because, once again, in considering the problem of economic planning, I am interested to what extent their approach differs.

The hon. leader of the Opposition (Mr. Wintermeyer) tended to dismiss the observations of the hon. Minister as being words, not being followed through with the kind of action we need. He is right, but you know, Mr. Chairman, I listened very carefully and I found the words with little action that were presented by the hon. Minister were matched by another group of words from the hon. leader of the Opposition.

This does not surprise me, because no less than one year ago the hon. leader of the Opposition, standing right where he is today in this House, rose when we were discussing the idea of economic planning, and dismissed it. He said he was opposed to economic planning because this was socialism—that what he was in favour of was economic co-ordination.

Mr. Wintermeyer: On a matter of personal privilege, Mr. Chairman, I never said any such thing.

Now, it is all right to make these general observations. The simple fact is that to the best of my recollection I advocated planning last year. But this I am sure: I never did associate planning with socialism as such.

Mr. MacDonald: Surely they are the same thing. That is the interesting point. See; now the hon. leader of the Opposition has got to the point!

Now just a minute, Mr. Chairman, this is why the general debate is useful. Now we have reached the point where at least planning has ceased to be a dirty word.

An hon. member: It has been like that for years.

Mr. MacDonald: When we have reached that point the hon. member has got to recognize that this is what they used to describe as socialism.

Mr. Wintermeyer: And the hon. member is saying that he is not socialist! Is he or is he not?

Mr. MacDonald: The hon. Minister—just a minute; I am not saying that—

Mr. Chairman: Order!

Mr. Wintermeyer: What did the hon. member do in Ottawa if he did not say that they were not socialists?

Mr. MacDonald: We are democratic socialists, we never for a moment denied it.

An hon. member: Imagine trying to deny that.

Mr. MacDonald: If I may just get this record straight, Mr. Chairman, since the hon. leader of the Opposition (Mr. Wintermeyer) feels that I am misrepresenting it. Let me quote something that I quoted in the House before, but perhaps we have to have it reviewed.

A year ago when the federal Liberals were laying down policy at their annual meeting at Ottawa, a committee met and they passed resolutions and I am going to quote from the news story that recounted what happened on this occasion as it appeared in the *Globe and Mail* on January 11—

An hon. member: What year?

Mr. MacDonald: Last year.

Despite some misgivings that its recommendation was a step towards socialism a subcommittee of the national Liberal rally today called on the party to adopt a policy of national economic planning. Approval of the recommendation would represent a sharp change in the attitude of the Liberal Party.

In May 1958, the Liberals joined the Conservatives in voting down a Co-operative Commonwealth Federation amendment urging the adoption of planned economic policies to ensure an ever-rising standard of living.

J. W. Pickersgill (Liberal, Bonavista) told the House of Commons his party was opposed to the amendment because it was a polite synonym for socialism.

Now this is the sort of thing we have heard repeatedly from the Liberals; however, I am not going to berate them, Mr. Chairman. If they have now reached the advanced stage of acknowledging the existence and the need for planning, whether or not they want to call it "socialism" is neither here nor there—

Mr. A. J. Reaume (Essex North): What is the hon. member trying to prove?

Mr. MacDonald: It was no more than a year ago—I call it a form of socialism if you want to—

Mr. Reaume: Is he or is he not?

Mr. MacDonald: As a matter of fact the basic requirement, if we are going to have full employment, is economic planning.

An hon. member: What does the hon. member's planning consist of?

Mr. MacDonald: In other words, Mr. Chairman, as the leader, or as my colleague from Woodbine (Mr. Bryden) said the other day: one of the things we have noted with interest is that while the programme of the CCF and the New Democratic Party is usually decried as something of a threat to the people of Canada, etc., etc., periodically the old parties will take great portions of that programme and incorporate it in their own.

An hon. member: How many by-elections has the hon. member's party won?

Mr. MacDonald: The things they decry today, they accept tomorrow.

Mr. Chairman: Order.

Mr. MacDonald: I will give you time, Mr. Chairman, if you want to see if you can muzzle—but as my hon. colleague from Woodbine has said, what has happened in this instance is that both the government and the Liberals have stolen the word but they have not stolen the idea. They have not yet come to grips with economic planning in any meaningful sense at all. As a matter of fact I was rather interested last fall when the *Toronto Daily Star*, which considers itself in the left wing of the Liberal Party trying to lead it to greater enlightenment, appeared with an editorial on November 28, after Mitchell Sharp had delivered a speech in the city. It was entitled: "Planning or Direction?"

Even they were wondering whether we should avoid economic planning and only have economic direction. You see, Mr. Chairman, this is the kind of waffling that is going on in the ranks, when they cannot make up their mind exactly what is wanted.

Mr. Wintermeyer: Will the hon. member tell us what he means?

Mr. MacDonald: It is reminiscent—

Interjections by hon. members.

Mr. Chairman: Order.

Mr. MacDonald: This kind of waffling is the kind of thing that we have seen, for example, among close associates of the Liberal party and the Conservatives in the chamber of commerce.

An hon. member: Hazen Argue.

Mr. MacDonald: Last fall, when they met in the city of Halifax, one of the most interesting speeches was Mr. Kirkpatrick's, in which he said that the plight that we now face in this country is in good part because the government did not plan. Mr. Kirkpatrick and E. P. Taylor were two of the resounding voices that came from the chamber of commerce meeting calling for economic planning. The interesting thing, Mr. Chairman, is that since then Mr. Kirkpatrick has ceased talking about economic planning, in that very undemocratic organization of his that did not give its rank and file an opportunity to express their approval; the directors have since launched what is described as "Operation Freedom." One of the things they are condemning all the time, in all of their literature is economic planning. Apparently Mr. Kirkpatrick has changed his mind since the Halifax conference.

An hon. member: I cannot conceive of Kirkpatrick being misled.

Mr. MacDonald: And just yesterday, Mr. Chairman, we had an indication when my hon. colleague was putting on the record what our concept of economic planning was—and I invite the hon. leader of the Opposition (Mr. Wintermeyer) to read it if he still does not know—

Interjections by hon. members.

Mr. MacDonald: —I know it does not sound very good to the hon. member. This is the interesting thing, and this is the point I want to reiterate.

Interjections by hon. members.

Mr. Chairman: Order.

Mr. MacDonald: While my hon. colleague was explaining what economic planning was, the hon. leader of the Opposition who, like Saul on the road to Damascus, has suddenly seen the light on this issue in the last year, was saying: "Fine, I am in favour of it; that is Liberal policy." One seat back from him

was another voice in the Liberal party, what I might term as the chamber of commerce voice, who said: "You are leading us up the primrose path to dictatorship!" Or to socialism, was it?

It reminds me of that phrase that was used about somebody being dragged kicking and squealing into the 20th century; well the Liberal party is being dragged kicking and squealing into the era of economic planning, and the hon. member for Fort William (Mr. Chapple) is standing there guarding us because of its threat to our liberty.

On this question of whether or not this is socialism, let us cut out all the nonsense of trying to abuse this term. In a moment of truth, last summer, the *Toronto Globe and Mail* had an editorial in which they made, I submit, a very valid point. They said there is no party today which is not a socialist party. They said the difference between the old parties, the Liberals and Conservatives, and the new party, is that the New Democratic party will bring its socialism in the front door, whereas the Liberal and Conservative parties would smuggle it in the back door.

I wish Macpherson, Reidford, or one of the cartoonists, would make a cartoon, because at the back door—to guard the back door of the Liberal party—is the hon. member for Fort William (Mr. Chapple) trying to keep socialism from being smuggled in. I think it has the making of rather a good cartoon.

However, you know, Mr. Chairman, if we needed any further proof of the basic similarity in the approach of the Liberals and Conservatives on this, we had it from that inimitable intellectual of the Liberal party, Jack Pickersgill. A couple of days ago he was speaking to the Liberals on the campus at the University of Toronto—

An hon. member: A big crowd there.

Mr. MacDonald: Yes, 50 people! When I spoke there there were 120 people last fall. It was the new party, and a much bigger meeting. Mr. Chairman, let me quote one paragraph in this because this is a most illuminating little paragraph:

Answering New Party charges that there is no difference between Liberals and Conservatives, Mr. Pickersgill admitted—

An hon. member: You had better have it right now.

Mr. MacDonald: Well, Mr. Chairman, all I would say is that I have always regarded him as one of the most Pickwickian figures in

the Canadian scene. However, what Mr. Pickersgill admitted was that "there was little ideological difference between the two parties." And note this next sentence, Mr. Chairman. He said:

However, this was because it was because it was impossible to find out what the Tory ideologies were.

This presumably proves something. He cannot find out what the Tory ideologies were—an irrelevant point; for he had already conceded that there was no difference between them and his own.

Mr. Wintermeyer: What does the next sentence say?

An hon. member: Read the whole speech.

Mr. MacDonald: Well, it is in the next one that they are going to boost old age pensions.

Interjections by hon. members.

Mr. MacDonald: Mr. Chairman, if I am not digressing too far from the estimates, I am willing to read this because it is calling for a \$75 pension, a thing that his leader decried as irresponsible in November of last fall. So this is just added proof of what goes on in the Liberal Party.

Mr. Wintermeyer: Is the hon. member against the \$75?

Mr. MacDonald: Mr. Chairman, I am not going to attempt to give in detail our concept of economic planning. The hon. member for Woodbine (Mr. Bryden) has already put it on the record, and it is there available for people to read, both in his budget speech and his introduction of the estimates here. But I want to make this point, Mr. Chairman, because I think this is basic in our consideration of this whole concept of economic planning—I want to submit that the government's approach is in reverse to what it should be. What the government is doing is taking a lot of isolated projects—unfortunately most of them are old—he is adding them up and calling it economic planning. He misses George Drew's programme of 20 years ago by two points; it is only a 20-point programme. Having listed all his projects, the hon. Minister, figuratively speaking, crosses his fingers and says: "We hope this will provide full employment."

Hon. Mr. Macaulay: I did not say that at all.

Mr. MacDonald: He said this is going to provide a six or perhaps an eight per cent increase in the gross provincial product.

Hon. Mr. Macaulay: I said I was confident that it would create a six per cent increase to the provincial product and I was hopeful of eight per cent.

Mr. MacDonald: Well, fine. Now, I want to suggest that this is going about it the wrong way. If the hon. Minister would be serious he may conceivably learn something. It may be impossible, but he might conceivably learn something.

I would suggest in general terms, Mr. Chairman, that the objective and procedure in economic planning should be this: The objective is to provide full employment—we are going to put all our people to work—the fullest possible use of the human and the natural resources of this country.

Mr. A. E. Thompson (Dovercourt): Can the hon. member guarantee that?

Mr. MacDonald: Exactly; we feel we can guarantee it. Just listen and I will say why we feel that we can guarantee it. We set the objective, full employment, and then, as one aspect of economic planning, provide the incentives in the private sector of the economy. My hon. colleague, speaking on the budget, listed some of these incentives. They seemed to come as new ideas to many people. With these incentives we will get the fullest possible development of economic activity in the private sector.

Here, Mr. Chairman, if I may pause and emphasize for a moment, if the government were doing this kind of thing, this is where the economic council could play a very important role. Instead of being an advisory body which is brought in just to study or talk, the economic council made up of the right kind of people—perhaps on an industrial basis, rather than this broader basis—could together work out objectives.

This is the kind of thing that is done in western Europe; and these people work it out jointly. This is how we get genuine labour-management relationships. They are then willing to set themselves an objective and to go out and co-operate in fulfilling that objective.

Fine, the hon. leader of the Opposition is not objecting to this, but may I remind him that this is not the kind of economic council the government has set up, nor is it the kind of economic council that he has been planning for the last year or so.

Having developed all the incentives for the fullest possible development of economic activity in the private sector, I would submit that this government should do everything

it could to step up the co-operative sector of the economy. One of the shocking things in this country—I noticed this figure the other day in the newsletter of the Co-operative Union of Canada—is that in the whole of Canada only 2 per cent of our economic activity is on a co-operative basis.

I must confess that I was surprised by this; I thought it would be at least somewhat higher than that. Co-ops are the finest kind of economic activity, because the problem of economic control rests in the hands of the membership, and they do not have all the problems that emerge in private exercise of economic power. It seems to me that it is a desirable objective to step up co-operative activity.

But, Mr. Chairman, I was impressed, in reading through the same newsletter, where the Co-operative Union of Canada was outlining the mounting campaign that is emerging from the chambers of commerce, and other sources, to cripple co-operative activity at a time when we should be developing it.

My final point is this, Mr. Chairman, that if you start out with the objective that you are going to have full employment—the full uses of the human resources—and you have discovered what can be achieved in the private sector, and what can be done by the encouragement of the development of the co-operative sector; it then becomes the obligation of government to step in in the public sector of the economy and do whatever is necessary to make certain that everybody is at work.

Now this does not mean, in the old socialist terms that are so often used, that a great deal need be brought under public ownership, for the great need today is not for socializing more; rather the desperate need today, in a Galbraithian sense, is to develop the public sector of the economy which in the last 10 or 15 years has become the withered arm of our economy, to provide social capital, which will meet the needs of our people and at the same time provide work.

Mr. R. M. Whicher (Bruce): Hazen Argue did not believe that, how does the hon. member expect we will?

Mr. MacDonald: The hon. member does not know what Hazen Argue believes, and if he got to know him he might be surprised to find what he believes. Perhaps the hon. member at the moment should go out and consult with the young Liberals of Weyburn who at least have the courage to express their views.

However, in conclusion, Mr. Chairman, I want to touch briefly on two points. In the course of his remarks, the hon. Minister quite rightly made this observation, that he is moving forward into some experimenting to step up our economic activity. And he said, if on any one of these projects, we discover that it is not effective, it is not meeting the need, then we will discard it. The hon. Minister shakes his head affirmatively and I congratulate him for it.

The hon. leader of the Opposition (Mr. Wintermeyer) rose and acknowledged that this is what the hon. Minister had said. And I think he, too, concurred that this was just plain common sense. Now, having heard this from both of them, I just want to remind them quietly that I have listened in this House for years to their constant politicking on the government of Saskatchewan which did this very thing, because it started economic planning 20 years ago.

The government of Saskatchewan succeeded governments of the Liberal and Conservative persuasion—who talked but had no action—in diversifying the economy of Saskatchewan, particularly in the development of secondary industry. The government of Saskatchewan in 1944 said, "We are going out to develop secondary industries in Saskatchewan," and Tommy Douglas said in words that are almost a paraphrase of what the hon. Minister said, and the hon. leader of the Opposition agreed with, if they discovered that any one of these industries did not appear to be an economic one in the long-term sense, it would be discarded—and they did discard them.

What they did, Mr. Chairman, was to experiment in the way the hon. Minister is doing now. Any government that undertakes economic planning is going to do some experimenting and discover that some things will not prove to be successful, and will have to be discarded. So I hope that the hon. Minister and the hon. leader of the Opposition (Mr. Wintermeyer) and some of his hon. colleagues behind will cease this constant reiteration of the failures of a few of the small attempts to build the secondary industries in Saskatchewan, because in the over-all these few industries represented a very small percentage of the over-all effort of the government. The rest of them were so successful that in the 20-year period a province, whose economy was almost exclusively agricultural, has been so successfully diversified through economic planning that today much over 50 per cent of it is non-agricultural and the

whole basis of the economy of the province is that much stronger.

The second point, Mr. Chairman, that I wanted to touch on, is by way of concluding on the general estimate, and asking the hon. Minister a question. Undoubtedly, there is going to be a great deal of research work to be done. As my hon. colleague from Woodbine (Mr. Bryden) has pointed out, inevitably much of the research work for all these committees on the economic council will have to be done by his staff—either staff that is in his department, or staff that is hired specifically and attached to the economic council or any one of its committees.

I am curious to know exactly what is the range of research staff and what proportion of these estimates comes into the category of research expenditures—more particularly in the general estimate. To begin with, what could \$1,000—only \$1,000—be used for in the category of "in-service training"? I can quite see where a fair range of in-service training could be developed in this department, but I am a little puzzled as to what exactly it is going to be when the allotment for it is only \$1,000.

Hon. Mr. Macaulay: Well, in-service training, I would say to the hon. member, is designed to have a certain amount of money in the estimates to send people who are on our staff, to courses around the province, which we think will make them more adept and more efficient at their jobs. There are courses given, from time to time, on management, book-keeping and various things, and when we find that there are these courses that we think will benefit our staff, then this is the fund from which we draw this.

If we find there are specific ones which are beyond this amount and we think that they should go to them, we go back to the Treasury board and put our points to them.

May I just correct one misstatement of fact that I made? I said that the staff of the present Department of Economics and Development was smaller than the three departments of Energy Resources, Commerce and Development last year. In fact, the new departments of Economics and Development and of Energy Resources, are smaller in complement than the departments, last year, of Economics and Commerce and Development. In short, the number of staff that I am responsible for to the House is smaller than those three departments last year.

Mr. Thompson: Mr. Chairman, I have three questions under vote 301, and I wonder if I could ask the hon. Minister, does he want

me to ask one question at a time or ask them all together?

Mr. Macaulay: Any way he wants.

Mr. Thompson: I will ask all of them, then. My first question is still in connection with this in-service training. I wondered if the hon. Minister is going to use any of the federal departments in connection with training some of his personnel. I am thinking particularly of the immigration department, the two men going into immigration work, the overseas officers for trade and commerce; and I could go on into many other areas of the economic council, in connection with the training required.

My second question is with respect to the publication of technical, economic, financial and other reports. I noted, sir, that the hon. Minister had mentioned this fabrication gap report. I would like to ask the hon. Minister, are the facts that he has in this fabrication gap report a compilation of DBS figures in Ottawa?

Hon. Mr. Macaulay: Are what a compilation?

Mr. Thompson: The fabrication gaps, the little pamphlet that he had.

Hon. Mr. Macaulay: Yes, yes, they are.

Mr. Thompson: They are? Well, might I suggest, sir, that from the trade and commerce department in Ottawa, there is a more developed pamphlet in connection with suggestions for export and import, under the industrial development branch, put out by Mr. B. R. Hayden. The reason I ask this is that I feel, first of all, in his pamphlet, in giving suggestions to industries the classifications are rather broad. The trade and commerce division in Ottawa defines the classifications more closely. I do not know if he has looked at the import studies under Mr. Hayden.

Hon. Mr. Macaulay: Yes, we are in constant contact with—well he can finish his question.

Mr. Thompson: The other point to this is, if DBS figures are available, if Ottawa has a trade and commerce division, if they are compiling these statistics, it seems to me this indicates a certain overlapping with respect to the information that he is providing here.

This is the fear I have had, quite frankly, in many of the aspects that the hon. Minister has discussed under his economic council,

and I admit the pamphlet is a very small item to raise, but it does indicate to me that the hon. Minister could get all this from Ottawa. He has the DBS figures, he has a trade and commerce division and he has the import studies done by a very capable man, Mr. B. R. Hayden.

My third question is in connection with special studies. I would like to ask that under special studies, would the hon. Minister define these studies? I might say, with the hon. member for Sudbury (Mr. Sopha), I am very confused about the position of the travel and publicity committee in the—

Hon. Mr. Macaulay: That is under vote 302. Could we wait until then?

Mr. Thompson. Fine, then. Those are my questions.

Hon. Mr. Macaulay: In relation to the first question concerning this in-service training, I do not know that I can usefully say much more to the hon. member than I have. We have sent staff members to Ottawa for training in relation to immigration, we have sent people from our housing branch to extension courses in real-estate appraisal. We have sent people in our industrial development branch for extension courses in statistical methods, and so forth. I do not know what more I can really say to the hon. member than that.

Mr. Thompson: Sir, I would suggest that, in view of the hon. Minister sending these people for training in Ottawa—obviously Ottawa has experience in this work—I am just wondering whether he could not use the people in Ottawa to do the job rather than sending some of his own people to Ottawa to get the experience of Ottawa personnel.

Hon. Mr. Macaulay: Well, it is not to get experience of the Ottawa personnel, but to take training courses there, and we work in very close co-operation with the Ottawa department.

In relation to the hon. member's second question, which relates to the fabrication gap booklet, the ones I think that he is referring to are somewhat more recent than ours.

We work, again, in close co-operation with these people, but we feel, and this is the philosophy of this government, that we have some responsibilities to help ourselves. There is some suggestion that we should not have people overseas; there is some suggestion we should not be doing anything in relation to immigration; there is some suggestion I should not try to find out what the fabrication gaps are so that we can fill them. I do not know.

I am sure that the hon. members would not want this programme hobbled to the extent that I can do nothing whatsoever. I have a strong, firm and strenuous belief that we can do a very great deal in the field of trade, and some of the steps which I have proposed, I think, will help to carry this out.

One hon. member, when speaking this afternoon, made some reference to the fact that the federal government had exclusive, peculiar and some other jurisdiction in relation to trade. This is quite untrue. The British North America Act gives the federal government the power in relation to regulating trade. It has no monopoly on promoting trade, and this is what I am trying to do.

Mr. Thompson: Well, sir, my question to the hon. Minister was if he was informed that Mr. B. R. Hayden, who is in charge of import studies for the federal Department of Trade and Commerce, is putting out a more detailed study than the hon. Minister's book, I would suggest to the hon. Minister that his book is a duplication of what is already provided in Ottawa.

Hon. Mr. Macaulay: We started this programme in Ontario.

Mr. Thompson: I do not quite see what difference it makes who started it.

Hon. Mr. Macaulay: We started the programme in Ontario and they are now doing it. I would point out to the hon. member that even the one which is done in Ottawa, I do not think satisfactory by our standards. To say that what comes into Canada is so many tons of leather, or so many hundreds or millions of dollars worth of leather goods—this is still not detailed sufficiently to enable us to really assist in connection with these fabrication gaps.

The federal government are putting out this book which, as I said, was undertaken after we began our publications in relation to fabrication gaps. Now, their programme we think, really in many ways, is more advanced than ours; we have to have something relating to the province of Ontario, theirs relates to all of Canada. A figure relating to all of Canada is meaningless unless it is broken down in relation to this province.

Mr. Thompson: I would just like to pursue this further because to me it indicates that there is duplication. As I understand him—

Hon. Mr. Macaulay: Well, I should say also that the only one that has been put out

is on the oil industry; does the hon. member understand that?

Mr. Thompson: I am sorry. I am looking at the "possible Canadian export opportunities"—

Hon. Mr. Macaulay: Yes.

Mr. Thompson: That was put out by the industrial development branch.

Hon. Mr. Macaulay: Could the hon. member look at the subject matter involved in it?

Mr. Thompson: Yes, I see it has a variety of some agricultural food products throughout its—

Hon. Mr. Macaulay: It has not the detail that ours has in it.

But the hon. member's question was: are we aware of it? My answer is yes.

Mr. Thompson: I am talking about the one that the hon. Minister is suggesting—

Hon. Mr. Macaulay: I am talking about Mr. Hayden's study, or his fabrication booklet. My understanding is that he has only put out one and it is in relation to oil equipment.

Mr. Thompson: I would suggest to the hon. Minister that there is more in Hayden's import study. The other point I would suggest—

Hon. Mr. Macaulay: Well, would the hon. member not only suggest to me, would he name them?

Mr. Thompson: I will get the names for the hon. Minister. They are import studies.

The other point is that I have heard criticisms about the hon. Minister's own studies. I have just mentioned, "possible Canadian export opportunities," in this small pamphlet. It is not as useful for the very reason that he is suggesting, that it is too broad in the coverage suggesting export opportunities. Industries want this broken down more.

It is all very well to say a well driller is needed but it should be more defined. I would like to make that as a recommendation, even though I do think there is still duplication in this.

Hon. Mr. Macaulay: I think when the hon. member looks at the Hayden study he will find that it is not as he has said. It may be that this is something new that has been put out in the last few days, because the only

one of which I know is the one that deals with oil equipment and it has a very limited application as far as we are concerned. It was the only one that was available at the time the conference was held here in Toronto some several months ago.

As far as the hon. member's criticism of possible export opportunities being too general is concerned, we acknowledge that this is a problem. This was sort of a pioneer project and we anticipate that, like everything else in life, there is room for improvement.

Mr. Thompson: May I have the answer to my third question, about what the special studies are?

Hon. Mr. Macaulay: When we come to vote 302.

Mr. Thompson: No, I am sorry; it is on 301.

Hon. Mr. Macaulay: Oh, yes! We have been carrying on for some time, as the hon. member knows, studies in relation to portable pensions. This has been a very time-consuming project from the department's point of view, as well as a very large and important one. We are also making a submission, which we are now preparing, to the Royal commission on banking and finance, and we will be submitting one in conjunction with the hon. Minister of Health (Mr. Dymond) to the Royal commission on health.

There are a number of other studies in this connection; we have a great number. We are doing one on the European common market at the moment, and I have a number of others here, some of which we are working on now and are incomplete and which I have left over in the department; these generally are the kind of studies that we do.

Mr. Thompson: May I ask, just to get clarification on one of the subjects, what approach is taken to it? The hon. Minister mentioned he is doing a study on the European common market.

Hon. Mr. Macaulay: The study in relation to the European common market is going to be in two parts. Some of the studies that we have underway now, relate to the milk industry and a great many different aspects of our economy.

In relation to the European common market, we want to find out first of all what industry, what kind of imports and exports, are going to be affected by the organization of the European common market. Then second, what influence will these have upon the Ontario economy.

We expect that this will be finished in several months. It is a very advanced study, and I think will prove to be a very important one.

Mr. Thompson: Surely, such studies are being done at the federal level; or is hon. Mr. Fleming's a case of gloom and the hon. Minister's of optimism because he is not doing such studies?

Hon. Mr. Macaulay: We perhaps have an entirely different outlook, as was pointed out in the *Globe and Mail* this morning. In the event, I would simply say that I have heard that people have seen both studies and have—I will limit my comment to this—some considerable admiration for the one that we are conducting.

Mr. K. Bryden (Woodbine): Mr. Chairman, there is another item I would like to raise which I think probably comes under vote 301. I have here a letter dated March 7 from the Great Lakes Waterways Development Association signed by its president and general manager, Vice-Admiral E. R. Mainguy.

I assume that this same letter has gone to the hon. Minister and other hon. members of the House; I am quite sure that Admiral Mainguy would not write to me exclusively. I will, therefore, not undertake to read it; I will content myself merely with saying that the letter presents an argument, in my opinion a very cogent argument, in favour of a toll-free Welland ship canal.

The former hon. Prime Minister of the province (Mr. Frost) expressed some views on this subject some years ago. I think it is a very important subject. I personally favour elimination of tolls on the Welland ship canal as part of an overall transportation policy. One of Canada's major disadvantages, and one that it has always had, is the high and inflexible cost created by transportation over long distances. I would say anything that can be done to reduce those costs would be desirable.

The reason I raise the matter is that I would like to know, if it is possible to find out, if the current administration which has taken over recently has any position on this matter. If so, would they care to state what it is and what they hope to do to persuade others of their point of view on that subject?

Hon. Mr. Macaulay: I can most simply answer the hon. member by saying that the point of view of the present administration in no detail differs from the point of view of the former one. As far as what we are

doing is concerned, we have done a study on this ourselves and we are in touch, whenever it seems it would be most worthwhile, with the federal authorities to put our position to them. I do not think I can say much more than that.

Mr. Bryden: The hon. Minister's running mate out there in Broadview-Riverdale used to be the Minister of Transport, and is now Minister of Trade and Commerce (Mr. Hees). Does the hon. Minister have no more influence with him on this matter than these other associations? Is there no way that this government might be able to bring some real pressure to bear on the federal government to reconsider its position on this very important matter?

Hon. Mr. Macaulay: This may be the way business is done elsewhere, in other provinces, but I would point out to the hon. member that in this case the toll was established by virtue of a Canada-USA agreement and regardless of the closeness of friendship between myself and my running mate, it is not strong enough to affect that matter.

Mr. R. C. Edwards (Wentworth): Mr. Chairman, I would like to ask the hon. Minister if any publications had been made as a result of the studies of The Department of Economics.

I understand that it is the responsibility of the department to analyze and make projections with respect to the trends in provincial and municipal taxation. What is the picture with respect to the trends for the future? Has the department made any projections in this matter?

Hon. Mr. Macaulay: These are matters which the hon. Minister concerned should deal with under the heading of the budget, they have nothing to do with me in relation to this. My people provide the staff to do the research, the conclusions are drawn by The Department of the Treasury.

Mr. R. C. Edwards: Mr. Chairman, I think this is somewhat confusing, because I have in front of me a publication which was printed, as a matter of fact I believe the deputy minister was responsible for it, and it says that one of the important functions of the department is the carrying out of analyses and studies and it goes on to explain what these are. Now surely if these studies are being made by the department and if we are being asked to vote money at this time, it would be in order to ask the results of those studies or at least to have

the conclusions which were drawn from those studies.

Hon. Mr. Macaulay: Whatever results there are to studies are in the report in front of the hon. member. As far as what action is taken upon them, this is the general service department which provides information as a result of research to a number of departments and this is acted on by the department concerned.

Mr. R. C. Edwards: Mr. Chairman, it seems that I will not get an answer on this. I would point out to the hon. Minister that there is no other opportunity for hon. members on this side to find out just what is being determined from these matters. This is a matter which does involve the expenditure of public funds, and we are being asked to vote the money for the staff which makes these studies and which come to these conclusions. Surely it is not unreasonable if the hon. members are going to be asked to vote the funds that they be informed as to just where they are going. I think it is a matter of extreme importance to all hon. members of this House to know just what projection has been made and what the possible effects are likely to be, say, three, five or 10 years hence. And since the municipalities do enter into this, I think it is of extreme importance. I wonder if the hon. Minister would consider publishing these projections.

Hon. Mr. Macaulay: Well, when I said we have not made projections, it is difficult to publish them.

Mr. R. C. Edwards: Well, Mr. Chairman, I point out to the hon. Minister that what he is telling me is in direct conflict with the report which was issued to all hon. members of this House and which I have in front of me.

Hon. Mr. Macaulay: Well, then, what does the hon. member want?

Mr. R. C. Edwards: And this says that projections are made of provincial and municipal taxation, ordinary and capital expenditures, and debt. Now the hon. Minister comes and tells us that no projections are made. It is difficult to understand. As I have pointed out other times in this House, the one source of information which is available to hon. members on this side are the reports that are issued by the government itself; and when the hon. Minister comes and contradicts those statements it is difficult to come to any conclusion as to

whether the estimates are or are not in order.

If this is not the proper place to place this question, I shall be pleased to bring it up under the appropriate section. It seems to me that the development of the province which comes under these estimates is directly related to the mobility and the availability of labour. I endeavoured to raise the question under The Department of Labour last year and was told that this was not a matter which came within that department. It would seem to me then that it does come within this department.

I should like to know what studies have been made, if any, with respect to the effect of automation upon the labour force. I would like to know whether or not any projections have been made as to the effect of automation over the next few years. And I should like to know whether or not the development of the province will be affected by the training plans which are now in effect, and how they apply to this entire labour situation. I wonder if the hon. Minister could tell us anything in respect to that problem.

Hon. Mr. Macaulay: As far as the studies in relation to automation are concerned, I made a statement in relation to that yesterday. As far as the specific individual study on automation and mobility of labour in the past are concerned, this mobility of labour and the problems involved in automation are related of course in many of the specific studies, one of which I had delivered to hon. members yesterday. So in short, the problem of automation forms a part of every specific individual study that we have made, but as for studying automation individually and a specific study, this has not been undertaken. We are in the process of undertaking it.

Mr. R. C. Edwards: Mr. Chairman, at the risk of the hon. Minister advising me that I was not listening, would he repeat the general context of the statement he made on automation that he referred to?

Hon. Mr. Macaulay: I indicated to the House yesterday that a committee was being established under the economic council to consider the problems involved in retraining and assessing what we were doing, to dealing with automation, and a number of the labour problems associated with it.

Mr. R. C. Edwards: So the statement yesterday was in relation to the future rather than to the past?

Hon. Mr. Macaulay: Yes, that is right, in relation to the present.

Mr. R. C. Edwards: Mr. Chairman, this is what I was endeavouring to find out; it would seem to me that it would be very important that we know to what extent and to what percentage the present labour force will be displaced by automation in, say, three or five years. I think we would be interested to know at what rate automation is affecting and is displacing our labour force. I should also like to ask the hon. Minister whether or not his department is recommending any tax exemptions in respect to the development of secondary industry.

I know that the income tax is a federal matter, but it seems to me that the province does impose a considerable corporation tax. Does the hon. Minister feel that tax incentives are a proper method of developing secondary industry? Is his department recommending any such moves to the appropriate department of government?

Hon. Mr. Macaulay: Could I ask the hon. member if he was here yesterday?

Mr. R. C. Edwards: I most certainly was, Mr. Chairman, and I do not think it is appropriate; the hon. Minister told us yesterday that these things were being referred to an economic council. Now I am not asking him what the economic council is recommending, he is the man who is charged with the responsibility, I am asking if The Department of Economics has made any recommendations. There is a difference.

Hon. Mr. Macaulay: Well, if the hon. member can see the difference, I cannot.

Mr. R. C. Edwards: Well, Mr. Chairman, in reply to the hon. Minister, there is a distinct difference. The economic council is an advisory council, the hon. Minister of Economics and his department is a department that is here to make decisions and make recommendations. It seems to me that what the hon. Minister has really told us is that they have not really done anything, and they are going to look for leadership from the economic council rather than to give that leadership from the government, from where it rightfully should come.

Hon. Mr. Macaulay: It is interesting to note that this is one of the specific things that Mr. Pearson said he would refer to the Economic Council of Canada, which he also said would be one of the first things he would do if he took power in Ottawa. He said this in his speech of February 20, 1962.

Mr. R. C. Edwards: Mr. Chairman, first of all, Mr. Pearson is running for Prime Minister of Canada, and we are concerned with the rights of the people who live in this province. There is quite a difference. And to try to make this thing into a political hassle is, in my opinion, wrong. I asked the hon. Minister what was forthcoming from his department and I suggest that he has taken it completely out of context because he does not know the answers.

Now, one further question I should like to ask is with respect to the matter which was brought up last year. I see a considerable sum has been expended in public account with respect to the matter of the port at Moosonee. Is this the proper place to raise this question?

Hon. Mr. Macaulay: No, this is not the proper place.

Mr. R. C. Edwards: Would the hon. Minister tell me under what vote I am to raise it?

Hon. Mr. Macaulay: I mentioned yesterday where we would deal with it.

Mr. R. C. Edwards: Mr. Chairman, I wonder, sir, if you would advise me where I might raise the question of the port at Moosonee. Apparently you did not hear the hon. Minister either.

Hon. Mr. Macaulay: Under the Ontario Northland Railway, immediately following the St. Lawrence Development Commission.

Mr. Thompson: Mr. Chairman, I am interested in the item of special studies. I was wondering if the hon. Minister had considered the opportunity for Canadian firms overseas, and I am not thinking only of Great Britain or Europe. This is from the point of view of foreign construction. I am thinking of this from the point of view of study. I have this paper before me, the *Daily Commercial News and Building Record*, and I am looking at immense opportunities for construction firms and others to tender on foreign investments from Morocco for this \$300 million opportunity in building a tunnel. Is this an area in which the hon. Minister has developed an interest?

Hon. Mr. Macaulay: Yes, this is an area in which the Minister has developed an interest.

Mr. Thompson: Would he tell us how he is going to develop this?

Hon. Mr. Macaulay: This, like every other job opportunity, we attempt to evaluate and

to make known to the various parts of our economy in our province who we think may be possibly able to take part in such development; this is all we can do.

Mr. Thompson: Mr. Chairman, the only book I got was *Fabrication Gaps* and I am wondering, for example, these are put out by private enterprise — the *Daily Commercial News and Building Record*. I have another—the *International Construction Reporter*—and I am wondering what kind of material the hon. Minister puts out to private industry to inform them of the opportunities.

Hon. Mr. Macaulay: We put out a number of booklets, some of which I delivered to hon. members yesterday. We have, however, something that we think is more effective. We have a number of people on our staff whose responsibility is to try to keep track of some of the foreign opportunities. They are in constant circulation around the province, calling on both municipalities and industries, to keep them acquainted with these things. Our purpose is to assist, not to replace, private industry.

Mr. L. Troy (Nipissing): Mr. Chairman, in item No. 7 there is an amount for advertising. Does this include the total amount for all the advertising that The Department of Economics and Development will carry out? I am wondering. I notice in the release that was issued under the name of the hon. Prime Minister of this province, that the committee for tourist industry will work to find ways to attract more foreign tourists to Ontario and encourage Ontario vacationers to holiday in their own province. Now if that committee recommends certain ways to attract, will the hon. Minister take the money out of this advertising budget for them?

Hon. Mr. Macaulay: This advertising for the tourist industry itself is handled by the hon. Minister of Travel and Publicity (Mr. Cathcart). This advertising account relates to advertising exhibits and conferences, and there are two branches which have some participation in this amount; one is the housing branch and the other is the industrial development branch.

Mr. Troy: Any information from this committee on the tourist industry will be channeled through the hon. Minister's department to The Department of Travel and Publicity. Is that right?

Hon. Mr. Macaulay: It may be that the committee will make a number of recommendations; these recommendations will then

be studied by the Cabinet and, if they are to be acted upon, any that relate to the tourist industry will, of course, go to the hon. Minister of Travel and Publicity for action.

Mr. Wintermeyer: Mr. Chairman, I would like to inquire on the fourth item in 301—postage. What is the explanation?

Hon. Mr. Macaulay: The amount that was spent last year by The Department of Economics itself was \$4,000, and the amount spent by The Department of Commerce and Development was \$9,000, making a total of \$13,000, and in view of the stepped-up programme we have this year, relating to industrial development, the amount we are asking for this year is \$14,000; this is for the postage of the department as a whole.

Mr. Wintermeyer: The real basis of my inquiry is: I thought all the department's postage, its entire postage account, would be free account. The hon. Minister can mail things out here franked, as such, can he not?

Hon. Mr. Macaulay: Oh, no, no.

Mr. Wintermeyer: He does. His department?

Hon. Mr. Macaulay: No. No.

Mr. R. C. Edwards: Mr. Chairman, in the various departments, is the postage handled differently? Would the hon. Minister explain why this department is charged with postage? We noted under The Department of Travel and Publicity that there was no charge and we were told that this came out of The Department of the Provincial Secretary.

An hon. member: The hon. Minister delivers things personally.

Hon. Mr. Macaulay: All I can say is that the amount of money that we had to spend on postage last year for the two departments was \$13,000, this year we are asking for \$14,000 and this, I think, is perhaps because our buildings are away from the central office here. I would say that postage in the post office downstairs comes under the hon. Provincial Secretary (Mr. Yaremko).

An hon. member: Could the hon. Minister not deliver a lot of these things on his way home?

Hon. Mr. Macaulay: I do, as a matter of fact, on the way down.

Mr. Reaume: Mr. Chairman, under vote 301, I think the hon. Minister mentioned the fact that there are less people employed now

in the combined offices of the department than there were when they were separate. I rather thought that he actually implied some form of criticism against the former hon. Minister, now the hon. Minister without Portfolio from Kingston (Mr. Nickle).

I think we ought to have the opportunity, when the hon. Minister is back in the House, of getting an explanation from him as to why he was overstaffed or why the present hon. Minister might be understaffed. I just wanted to mention that fact; it would be very interesting to have him explain this point.

Hon. Mr. Macaulay: I might just answer. The difference is not great, I acknowledge, but it is down instead of a trend upwards, and one of the reasons, of course, is obvious. Where you have three active departments you are bound to have, in order to keep properly advised, some form of a library. Therefore each department would have its own librarian; each department under its main office would have its own accountant in charge of paying its staff and keeping charge of its money. This permits the reduction of staff. And so the story goes; I do not know how many more were down but I think about 10.

Mr. Reaume: Fine.

Hon. Mr. Macaulay: As I said before, we took out of the department the branch relating to publicity and public relations, and this took a number out.

Mr. Reaume: I was just wondering if the hon. Minister would mind when we have the chance and the hon. Minister without Portfolio is here in the House, if I were to ask him a question for the purpose of finding out whether or not his story and yours jibe.

Mr. Troy: Has the hon. Minister still got the emergency measures organization in his department?

Hon. Mr. Macaulay: No.

Mr. Troy: Well, where did they go?

Hon. Mr. Macaulay: The Attorney-General's Department.

Mr. Troy: Well, I presume, then, it is not such a complete change.

Hon. Mr. Macaulay: No, the point is: We have added another whole department to it; this is the point.

Vote 301 agreed to.

On vote 302:

Mr. M. Belanger (Windsor Sandwich): Mr. Chairman, on vote 302, I recall that when the hon. Minister presented the purpose of the Ontario Economic Council, it was to assimilate all phases of economic development and bring together labour, management, agriculture and government.

Hon. Mr. Macaulay: Is that under the proper vote?

Mr. Belanger: Which vote are we on?

Mr. Troy: 301.

Mr. Belanger: 302; am I not correct?

An hon. member: Did we carry vote 301? We did not hear it.

Mr. Chairman: Vote 302.

Mr. Belanger: Well, under this, I would like to speak on the tenth point or plank, which is to increase industrial incentive. I am wondering what co-operation this government has with its brothers in Ottawa, because some 18 months ago or more, quite a report was presented to the Canadian government to which the hon. member for Bruce (Mr. Whicher) referred the other day, speaking in the budget debate. I am referring to the Bladen report. We have there a report which is quite intensive. There was quite a representation made by the automobile industry and I know that if the recommendations were implemented by the government that this would mean some \$400 million to this country.

Now, the automobile industry is installed chiefly in the province of Ontario. I am wondering why this government is not lending support to this report and asking the federal government to implement the recommendations of this report. Definitely, we have something that would help the automobile industry and other industries indirectly in the province. I would like to know from the hon. Minister if he is trying to do everything to increase industries in the province? In the Bladen report the machinery is all set up right there. Now all that has to be done is to get together and do something about this report. I am asking the hon. Minister: what has he done about it?

Hon. Mr. Macaulay: Well, I would point out to the hon. member—and his question is quite proper—that firstly, Professor Bladen is a member of the economic council, I am sure the hon. member is aware of that.

Secondly, the council might study through one of its committees, the various incentives which are possible in relation to encouraging the reduction of, for example, the number of foreign parts in a Canadian-assembled or manufactured vehicle or other piece of equipment. And this is in line with the second programme to which I made reference, namely, in effect, closing the gap, as I have referred to it.

Mr. Thompson: Mr. Chairman, on vote 302, I would like to make a few remarks. I feel, sir, that what the hon. Minister has suggested with his 20 points are very worthwhile suggestions for Ontario, but I do have some concern that he may still be overlapping with the federal department. And my concern increased in view of the few questions I asked this afternoon. The hon. Minister has indicated, to me anyway, he might correct me if I am wrong, that he was dissatisfied with the study under Mr. Fleming's department in Ottawa in connection—

Hon. Mr. Macaulay: I said no such thing; do not torture it out of shape.

Mr. Thompson: I am sorry! Let me put it this way then: he said his study of the European common market was a fairly good one and he did not want to comment on the other.

Hon. Mr. Macaulay: I did not say that either.

Mr. Thompson: Could I ask the hon. Minister, then, what he did say?

Hon. Mr. Macaulay: I said that the study being carried on in our department has been spoken of in very glowing or enthusiastic terms by people who have seen both studies.

Mr. Thompson: Could I put it this way? It seems to me the hon. Minister is in a little bit of a dilemma. If the federal study was good, there really would not be much need for the hon. Minister to do a study.

Hon. Mr. Macaulay: That is quite wrong, and I explained why.

Mr. Thompson: I did not get the hon. Minister's explanation.

Hon. Mr. Macaulay: Theirs is done on a national basis. It does include Ontario, but it naturally does not show how much of this is by provinces. This does not do much for us. What we want to know, for instance, is, of all the leather goods coming into Ontario: how much there is and whether it is in shoes, handbags or purses or whatever it may be.

Now it does not help us to know how much there is coming into all of Canada, because there may be none of it, for example, coming into Ontario.

Mr. Thompson: Is the hon. Minister suggesting to me that The Department of Trade and Commerce does not break it down according to provinces?

Hon. Mr. Macaulay: The Department of Trade and Commerce study does not show this, as I understand it.

Mr. Bryden: Does the hon. Minister not envisage the possibility that an industry located in Ontario could sell elsewhere in Canada, that exports into any part of Canada could create an opportunity for industry within Ontario?

Mr. Thompson: I would like to follow up here: has the hon. Minister ever asked the department in Ottawa to give him those facts, rather than create another department to do it himself?

Hon. Mr. Macaulay: Our department is in constant touch with these people.

Mr. Thompson: That is not the question. I am asking: did the hon. Minister ever ask the department in Ottawa when it was doing this study to specify the facts on Ontario?

Hon. Mr. Macaulay: Yes.

Mr. Thompson: And they would not do this?

Hon. Mr. Macaulay: No, that is not correct. This is an immense subject and I do not think the hon. member appreciates it, with great respect—

Mr. Thompson: I appreciate the fact of the cost of this, and I think the taxpayers of Ontario should not be charged twice.

Hon. Mr. Macaulay: There is no question of people being charged twice. This is a study which every province, I am confident, will carry on related to their own specific needs and we are doing this in this province. Interestingly enough, if I had not had it underway, the hon. member would have been standing up and accusing me of not being interested in the common market, and asking why were we not doing something.

Mr. Thompson: I appreciate the hon. Minister knows what I would say, some people say I do not even know myself.

I have been interested in the economic

council from the point of view of the personnel that are going to be used. If I could, I would go through each area, and perhaps the hon. Minister would be good enough to answer them for me.

Yes, I am interested in the personnel and where the hon. Minister is going to get this personnel. I am interested in the priority of the studies. There are 20 points. Which are going to be given particular priority at this time? I realize that I cannot ask—

Hon. Mr. Macaulay: They have all started.

Mr. Thompson: And there is no emphasis on one over the other?

Hon. Mr. Macaulay: They are all being done by different groups who are qualified in that particular field.

Mr. Thompson: Might I ask about the personnel, then, of the—I do not want to go through the whole personnel—but could the hon. Minister give me the personnel on the retraining study? There are so many, and such a wide field, that I could guess almost any of them.

Hon. Mr. Macaulay: No, I am not able to tell the hon. member.

I should, I think, point out to the hon. member so that he will understand, the Ontario Economic Council was established in the first place by the government requesting certain organizations to send certain nominees to the council. They were not appointed by the government; they are not government appointees, in short, in that sense. They are actually named by the Lieutenant-Governor in Council, but the various organizations are the ones responsible for naming these people.

The desire of the government is, while not being bound to accept their recommendations, at the same time not to unduly interfere in their operations. As far as the chairman of the council advising me who is on these committees and what their names are, I am unable to tell the hon. member. However, I am sure, if he is interested in knowing the names of the personnel on these various committees, I would be happy to get them. They are still recruiting, but they have not begun their studies.

Mr. Thompson: Thanks.

I was interested as well in some aspects that have been raised about the economic council. I wondered, for example, when the hon. Minister talked about the Ontario development fund which is going to help industry, whether at this time the hon. Minister could

elaborate. I feel frankly that the approach to helping industry to settle in a municipality might be to help the municipality with its social capital.

I raise this question: if the government is going to help particular industries, does the hon. Minister not see a political danger in that he has to choose in placing one industry over another? As I understand it, the hon. Minister is going to have discretion in placing the industry.

I can see some aspects that would make this very worthwhile, for example, in areas where there is excess labour. Of course, today in Ontario this covers a great deal of ground, but there may be a time when excess labour exists only in particular areas.

I have another question from the hon. Minister's speech—unfortunately I have not had a chance to read it, I just had to make notes as he was speaking—but I had the impression that the government would help in allocating industry and I do not know if this is a philosophy of the government. If it is the hon. Minister's, I am wondering how he would decide between, say, Oshawa and Ottawa. Has he got some rules for encouraging an industry to settle in one particular place?

I raise the question about the hon. Minister's tax incentives to industry. I feel that because Ontario gets 10 per cent of the 50 per cent corporation tax, that he is going to have to have a great deal of co-operation from the federal government in connection with this being really worthwhile. I had sensed that perhaps there is not much co-operation between the federal department and the hon. Minister's own department at this time; I make just the small point of his pamphlet. I thought perhaps he was not aware of the detail of what is being done by the trade and commerce division in Ottawa; but that is a very small detail in comparison with more major issues in connection with his department.

Certainly everything that can be done to encourage trade in the world market should be encouraged, but I just wonder whether these trade junkets overseas have been so profitable. I notice the figures on exports in connection with hon. Mr. Hees' overseas junket and I feel the real necessity to encourage manufacturers in Canada to tie up with requirements in some overseas market, is to suggest that manufacturers in Canada meet people overseas themselves, personally. I can see, however, that a liaison could be developed. But I would hope this is not going to be a junket of only bright economists going

over there without liaison at a level closer to the producers.

I raise just another question: the hon. Minister is going to encourage certain industries—I think he has said "a co-operative manufacturing and export basis", I do not know if I am using his terms—in order that these industries can be helped in developing foreign markets. I just raise this question, that there are dangers if the government selects these co-operative groups of manufacturers, I think there are dangers again with respect to the anti-combine laws.

I certainly raise a question in connection with the immigration policy. I think that it really ties in again with what the federal government has been saying, they want to get skilled immigrants to come here, special immigrants, in order to create work. I think the hon. Minister has to look at the situation in Canada because often one can get doctors or nurses. I know he is talking more in terms of technical people, but there is going to be a great deal to discourage them from coming here. Apart from the prosperity that is being enjoyed in western Europe, there are barriers when they arrive here, placed by associations. I think there will need to be a lot of liaison between the professional associations so that they will accept the influx of trained and skilled people.

I have raised a number of questions. One more, and I do this to a large extent as a layman, is the hon. Minister's research centre. I understand it is going to be a \$19 million research institute near Brampton. I would suggest, sir, that in many ways research ideas, and ideas can be transported.

Hon. Mr. Macaulay: Perhaps the hon. member could discuss that under the Ontario Research Foundation, which is on another vote.

Mr. Thompson: Would that come under the Ontario Research Foundation? I wonder if I could have answers to those?

Hon. Mr. Macaulay: Well, they were really rhetorical questions. The hon. member asked me whether we were co-operating with the federal government or could we co-operate in view of the fact we had a 10 per cent corporation tax; I thought that the hon. member would like to know it is not 10 per cent in this province.

Mr. Thompson: Ten per cent of the 50 per cent.

Hon. Mr. Macaulay: No, it is not 10 of the 50.

Mr. Thompson: What is it?

Hon. Mr. Macaulay: It is 11.

Mr. Thompson: Eleven; I am sorry. Well, it is a small amount.

Hon. Mr. Macaulay: No, it is not a small amount; it is a very large amount.

Mr. Thompson: In the influence on industry?

Hon. Mr. Macaulay: Yes, a very large influence on industry, the one per cent.

As for how the co-operation between the provincial government and the federal government worked out, I have every confidence that if the government decides that this is a field in which the government should advance, we will have no difficulty in working this out with the government in Ottawa. In any event, the incentives in relation to the provincial corporation tax can be given by way of a rebate without any working out of any kind.

As far as the junkets of people going overseas are concerned, they are not junkets. I anticipate they will likely pay their own way there. They will be drawn from industry that has specific interests in the overseas market and they will be experts in this field. This is why they will be picked.

As for the \$19 million research centre, it is \$9 million; but we can deal with that under the Ontario Research Foundation.

Mr. Thompson: And immigration?

Hon. Mr. Macaulay: As far as immigration is concerned, we have had an immigration office in Ontario House since 1943.

Mr. Thompson: I know that the hon. Minister has had an immigration office in Ontario House since 1943.

Hon. Mr. Macaulay: We shall discuss that under Ontario House, shall we? There is a place specifically for that.

Mr. Bryden: Mr. Chairman, I was interested in some comments that the hon. Minister made in answer to questions by the hon. member for Dovercourt (Mr. Thompson). They were actually comments made along the way, but I would like to pursue the particular point a little further.

He stated, I think, with specific regard to the sub-committees or committees established under the economic council, that in effect—let me put it this way—the appointments were made by groups whom he wanted to have represented on these sub-committees, that

certainly the government reserved its authority to make the appointments, but essentially it was interested in appointing people who were named by the groups whose opinions he wanted presented.

Hon. Mr. Macaulay: No; I did not say that at all.

Mr. Bryden: If I misunderstood him, then perhaps he would correct me.

Hon. Mr. Macaulay: I asked the various organizations in this province to name someone, and those persons were all, in every case, appointed by the Lieutenant-Governor in Council.

Mr. Bryden: Well, I perhaps made a wrong inference which was purely unintentional. That was the conclusion I drew, and I will withdraw that suggestion if it was a wrong conclusion.

At any rate, in actual practice, as far as sub-committees are concerned, he asked groups he considered appropriate to name people for the committees and in all cases he appointed them.

Hon. Mr. Macaulay: This is quite incorrect, and in addition I did not say that. I pointed out that the sub-committees were under the complete control of the council and the appointments are made by the council, not by me. I have nothing to do with it.

Mr. Bryden: Well then, during the hon. Minister's reference to this particular matter he stated that appointments were made by order-in-council. Was he referring to the members of the council?

Hon. Mr. Macaulay: Yes, sir; yes.

Mr. Bryden: Then was the procedure that the hon. Minister followed to ask various organizations for nominees and, in actual fact, appoint everyone who was suggested?

Hon. Mr. Macaulay: No, I really did not ask them to name nominees. I asked them to name someone to the council. In short, I did not accept any choice. I would accept whoever was named. This is a different thing than saying: "Would you name someone whom you would like to have as an appointee," and then having a right to turn them down. I made it quite clear to these organizations that whoever they named, whether they were acceptable to me or not, they would be on the council.

Mr. Bryden: Well, in that regard the hon. Minister went a little further than I had

thought; and I may say that his approach is refreshingly different from that of the government at Ottawa, which apparently takes the position that it does not want to hear advice from anybody except Tories. There is a real danger that that government will become even further removed than it is now from the sentiments of various important groups in this country, and I think it should be acquainted with the views of those people.

I would agree with what appears to me to be the underlying philosophy of the hon. Minister in this matter. I hope I do not improperly impute anything to him, but it would appear his underlying philosophy is that when he wants the views of various groups, the best way to ensure himself that he will have them is to listen to people whom those groups themselves name, and in whom they have confidence. I personally would not go to the extent of saying that even with an advisory body the government should consider itself committed to accept anyone whom a participating body might name. I certainly think, however, it should satisfy itself that anybody appointed has the confidence of the body concerned, and this is certainly an important and refreshing departure from the policy of the federal government. In pursuit of this matter, I would like to ask the hon. Minister if he could tell me which groups named the various members of the council.

Hon. Mr. Macaulay: I will be very happy to. Did the hon. member not receive a copy of this red booklet which I have here?

Mr. Bryden: I have received a copy, Mr. Chairman. I will confess that, so far, I have only had a chance to—

Hon. Mr. Macaulay: The industrial members will be requested one each from the Ontario division of the Canadian Manufacturers' Association, the Ontario Chamber of Commerce and the Board of Trade. Nominations of the labour members will be requested one each from the Ontario Federation of Labour and the provincial building and construction trade. The third labour representative will be selected from northern Ontario, preferably from a union operating in a resource industry.

In the case of agriculture, the Farmers' Union will be asked to name one nominee and the Federation of Agriculture the other two. The two government representatives will be nominated by the Lieutenant-Governor in Council; they are Mr. Gathercole, the Deputy Minister, and Mr. Clarkson,

the assistant Deputy Minister. In addition to that, subsequent to preparing this, we felt it was wise to have someone from the universities, and we appointed Professor Bladen. We felt it was important to have someone from the Export Association and we asked them to name someone, and it is Mr. Holbrook, who is the president of the Algoma Steel Company in Sault Ste. Marie. We felt it was desirable to have someone from the field of research and we asked the Ontario Research Foundation to name someone and they named Dr. Mysner the director. The chairman, Mr. Randall, was selected by the Lieutenant-Governor in Council. He is the president of General Steel Works.

Mr. Bryden: Mr. Chairman, the hon. Minister's answer indicates what I would consider to be a quite satisfactory approach except for the representation of the labour movement on the council. I want, first of all, to make it clear that I am not in any way casting any reflections on any member of this council; I am rather trying to approach the matter from the point of view of principle, without reference to the individuals concerned, for all of whom I have the very highest regard. But as far as I can see, the Ontario Federation of Labour, which represents practically the entire labour movement of this province—the only exceptions being a few Communist unions and one or two break-away unions from the general labour body—but certainly the federation represents the overwhelming majority of the workers of this province—

Hon. Mr. Macaulay: The manufacturers' association represents the overwhelming group of manufacturers. Nevertheless, we asked the chamber of commerce and the board of trade, and all these people, as far as I know, are members of the Ontario federation.

Mr. Bryden: I would still repeat that the Ontario Federation of Labour is the chosen spokesman of the overwhelming majority of organized workers in this province, and yet, as far as I can see, the Ontario Federation of Labour was asked to name only one person. Now, in the field of agriculture, the hon. Minister, and I think quite rightly, had farm organizations name three; one of the organizations named two, and the other named one. In the labour field, the chosen spokesman of practically all the organized workers was asked to name only one. Another one was named by a smaller group within the Ontario Federation of Labour. I do not think the hon. Minister can indicate a parallel for that sort of procedure in the other appointments,

where a group within a larger group was specifically asked to make an appointment.

As far as I could make out from what he said, the third labour member—and again I am now not talking personally, because I think he is a very fine man doing very fine work—was simply an appointee of the government, and the labour movement was not consulted at all.

The hon. Minister said that he wanted a labour representative from the northern part of the province, and particularly one in the resource industries; I think there is a lot to be said for that, but the Ontario Federation of Labour includes within it all the unions, outside of one Communist union, which operate in that area. It is strange to me that, in this one case, the government makes an exception, departs from what the hon. Minister says is the announced policy, and simply makes the appointment itself. If I am wrong in drawing that inference from what he said, I would certainly like to be corrected; but that appears to be what he said and I think it is rather unfortunate that he asked the Ontario Federation of Labour for only one nominee in view of the fact that it represents also the other areas from which he said he wanted representation.

Hon. Mr. Macaulay: I would say to the hon. member, that, first of all, I discussed this matter with Mr. Archer, who is the president of the Federation of Labour of Ontario and who is the member also of the council. One's plans in all of these things are relatively fluid, and I think if the hon. member would be patient enough to realize the amount of work that has gone into the organization of these departments, and the number of things that we have established in this time, I would frankly say that maybe some of the decisions we made in relation to the council could be improved. This is quite possible.

It may be that Mr. Gillis is the northern representative. I frankly wanted to have somebody who I felt seemed to symbolize the highest ideals of the labour movement for northern Ontario, and I felt that Mr. Gillis was a good man for this. On the other hand, it may be possible that, in due course, we can make some other arrangements. Nothing is hard and fast on this and I told Mr. Randall, who is the chairman, that if he wanted to make additional adjustments as to further personnel that this would be so. My own personal relationships with Mr. Archer, I believe, are of the highest order, and I am hopeful that Mr. Archer has faith in me, that I am trying to do what I see with my political philosophy, as the right thing

from our province's point of view. Mr. Archer at no time said to me that he objected to this. As far as the third representative—

Mr. Bryden: I am not suggesting Mr. Archer does object—

Hon. Mr. Macaulay: As far as the third representative is concerned that is the member of the construction trades. Now they are members of the federation, and when Mr. Archer and I discussed this, some weeks before, I pointed out to him that no matter how we handled these appointments to this council, I was determined that we should have somebody—it did not matter to me who he was, so long as he, as you say, was accepted by and had the confidence of the construction trades; because I think the hon. member will agree that this is an area which has given very great concern to the hon. Minister of Labour (Mr. Warrender), and to this Legislature and to our labour legislation as a whole. I felt that if we had somebody from this group on the council, it would be a good thing. I frankly had never met the gentleman before. I never consulted the Cabinet as to what they thought, or if they knew the man at all. I sent a letter out and I told the Federation of Labour that I was doing this. I sent a letter to the trades council and asked them if they would name a representative.

Mr. Sopha: Mr. Chairman, may I invite the hon. Minister to pronounce his name "Gillis. G-i-l-l-i-s, Gillis." I want to say, as a matter of record, that I did not say, nor did I mean to imply in any way, that the matter of trade and commerce and cultivation of foreign trade was an exclusive matter of federal jurisdiction—in the sense that a citizen of Ontario would hale the hon. Minister in the court on a constitutional question and seek to get an injunction to close down his trade offices abroad. I said this, and I repeat for the record, that The Department of Trade and Commerce has had the responsibility, as a matter of custom and practice under The British North America Act, for the cultivation of foreign trade, and each of our legations and embassies abroad is always at a commercial and trade attaché and to the extent that the hon. Minister is now going to go abroad—or send his people abroad—to sell bacon, apples and cheese; then it is either on the one hand empire building on his part, or on the other hand it is the failure of the federal government to carry out their responsibilities; one of the two.

Now next year when we come to his estimates we will assess the quantity—the

hon. member for Bruce (Mr. Whicher) and I will assess them—the quantity of bacon, apples, cheese, tomato juice and everything else that he has sold—

Hon. Mr. Macaulay: And bologna!

Mr. Sopha: —and bologna! We make a lot of it anyway.

Now, since I had so much success in speaking to the hon. Minister earlier in French, if I may take as the text and theme of my remarks another French phrase and that is the historic one of Voltaire—I think I am right in saying it is Voltaire's—when he said—

Hon. Mr. Macaulay: Who is the hon. member looking at for confirmation, the hon. member for Essex North (Mr. Reaume)?

Mr. Sopha: Yes, the hon. member for Essex North (Mr. Reaume). He said: "Plus ça change; plus c'est la même chose."

And for those of our brethren here who do not understand this, that means: "The more a thing changes, the more it remains the same."

Now some things do change. I decry and deplore the fact, after listening to my hon. friend from York South (Mr. MacDonald) that nowadays the socialist has disappeared from the scene. There are no more socialists, they are all Galbraithians. And the public thinks that too; they have disappeared and they ought to disappear. They get 17 per cent of the votes. I wish we had a bearded socialist around.

I would say to my very esteemed, and the person I regard very highly, my almost beloved hon. colleague from Dovercourt (Mr. Thompson), I would say to him that in order to understand this \$150,000 for the economic council, that one must look at it in the historical perspective. The economic council was part and parcel of the new image of September and October. He said, the hon. Minister as reported in the newspaper, the *Toronto Globe and Mail* on October 17, he said:

The Ontario Progressive Conservative Party must adopt a dynamic programme at its next convention to replace the image of Premier Leslie Frost, Energy Resources Minister Robert Macaulay said last night.

And this is part of the new image!

Hon. G. C. Wardrope (Minister of Mines): The hon. member is screamingly funny, but why do we not get on with the work?

Mr. Sopha: Well, I have not time to stop. One must understand when I say to my hon. colleague from Dovercourt, one must understand in the light of this utterance, these undying words:

There is no substitute for hard work. I know that many people think that I am overly ambitious. Frankly, I do not understand this. I think that any man without ambition is a vegetable.

Now I will leave hon. members to guess who said that!

I want to make these two points about the economic council. As I said earlier, and I think just at the point the hon. Minister was constrained to keep me within the four corners of the votes, I said that this had become a repository of problems; that already in the few short weeks that this thing has been in existence, we have heard time and time again, when we raised a question, that the problem will be referred to the economic council for study and there will be a report. Now, somebody very aptly said in this House, and it bears repeating, that the responsibility for policy and the responsibility for solving problems cannot be divested from the two front rows of the Treasury benches over there and shouldered or sloughed onto some body which is not responsible directly to the electorate of the people of Ontario. Responsibility must remain where constitutionally it is endowed, and that is on the Executive Council. That is one point.

The other aspect of the economic council is that I say; and perhaps I am able to say it more than a great many people in this House that would like to say it, including the hon. Minister of Mines; and that is: the purview of the economic council under the hegemony of the leadership will mean that no department of the government will be safe from its inspection. It will be within the four corners of every department, conducting its reports and surveys.

Hon. Mr. Macaulay: Is the hon. member against that?

Mr. Sopha: I am making my observations and submissions in respect of it.

Mr. MacDonald: They are like the Liberals, always for and against it.

Mr. Sopha: I am trying to lay down some very salutary considerations in respect of its operation, which I hope will be a guide to the hon. Minister in its operation.

Now already we see that the economic council, or the hon. Minister, is within The Department of Agriculture. We have heard about that one. He is now going to take over part of the responsibility of the hon. Minister of Agriculture (Mr. Stewart) especially insofar as it means the peddling and sale and trafficking in the produce of the agricultural industry of this province.

Now the other thing I want to observe and report. Again I ask my hon. friend from Dovercourt to view these things in the light of history. Many hon. members of the House may recall that just at the time of the leadership convention last October, very suddenly and without any previous notice at all the former Prime Minister of this province announced that he had founded an organization which, I think, he called the economic advisory committee. As far as the hon. Minister was concerned, when he heard of the hon. Prime Minister's announcement about the economic advisory committee he told an audience in Pembroke on October 20, under this heading:

MACAULAY SAYS HE WAS CONFOUNDED BY
ECONOMIC COUNCIL ANNOUNCEMENT

And later on it reports him this way:

He told his audience he was confounded to read of Mr. Frost's economic committee but was pleased to learn that his thinking agrees with that of the Prime Minister.

I took the trouble to look up the word "confounded"; and the word "confounded" according to the Oxford Dictionary means "to confuse, perplex or dismay". Now not only insofar as—take that definition "dismay." I venture to say he was not the only one dismayed, because the former hon. Prime Minister of this province even went so far as to appoint the personnel to this economic advisory committee, and we have not heard a word to this date from the hon. Minister about what has happened to this group; a group of very respectable citizens.

I invite my hon. colleagues, at least on this side of the House, to harken to the names of some of the persons to whom the former hon. Prime Minister of the province, or whom the former hon. Prime Minister of the province appointed to this advisory committee. They included: Mr. O. D. Vaughan, a former vice-chairman of the T. Eaton Company; Mr. W. O. Twaits, who I believe is president and general manager of Imperial Oil; Mr. Russell Harvey—as my hon. friends to the left will be able to recognize, he is of the labour movement, I believe; Mr. Rhys Sale of Ford Motor Company; M. W. McCutcheon of

Argus Corporation completes the list of those whom I know.

There has been no announcement from the government, least of all from the hon. gentlemen about what has happened to this other group. Have they been surpassed or displaced by this new economic council? Perhaps some of them are members of this economic council but I do not readily recognize any of the names of any of them. But in addition to being confounded—that is confused, perplexed and dismayed—the hon. Minister lost no time after he reached a position of hegemony within the government, and I venture to say that his position of leadership and confidence where it counts is very high indeed within the government. One needs only to open his eyes to observe that phenomenon, and a developing phenomenon indeed it is.

An hon. member: He is a good man, that fellow.

Mr. Sopha: Well, I would hope so, but I cannot say the same for some of his hon. colleagues over there. I hope at least the offices of the Opposition are safe from his encroachments, at least in the immediate future.

Mr. Reaume: They are all mad, too.

Mr. Sopha: I was not going to say that, but my hon. friend from Essex North (Mr. Reaume) has a very pungent way of putting things, especially the truth.

But insofar as this economic advisory commission is concerned, I think the hon. Minister certainly owes an explanation to the House of what the effect of his hasty action in setting up his economic council has been with respect to their position.

Does it still function? Are they to be invited to play some part in the councils of government? In addition to the \$150,000 that we are voting for the economic council, is part of this money or other public monies to be used to allow this organization, called the economic advisory committee, to continue to function?

I want to conclude on this note, and I want to say this, that all this manifest unfolded to us yesterday demonstrated that none of the problems is new, none of the things that the hon. Minister and his economic council are going to study, suddenly descended out of the heavens like a bolt of lightning and appeared to exist as a problem or a difficulty or a road block with respect to the affairs of this province.

The problems of automation, of sale of our surplus agricultural products, the problem of

unemployment, the expansion of our industry, the taking away of industry from some urban centres, decentralization of industry, all of these problems have existed with us for a good long time. And as the hon. leader of the Opposition (Mr. Wintermeyer) so aptly put it, supported by the very able words of the hon. member for Bruce (Mr. Whicher), this smokescreen set up by the hon. Minister is nothing but a blind and an attempt to create the new image in order to hide the indictment of 20 years of Conservative rule that we have had.

The impression he is trying to convey in this House—if my words convey no other purpose, I want them to descend upon the ears of the hon. Minister in this fashion, that we over here are not going to be fooled. We are not going to be fooled. I said the more things change, the more they remain the same. The problems have been here and just because there is a sudden burst of activity—almost gymnastic schizophrenia, to to speak—he talks about his committees and his sub-committees, and we are going to look at all these problems, just as if this is a new departure or this is a new method of carrying on government.

And I just proffer this note of caution, that one year hence, when again he comes to the House and the public treasury, and he wants money to conduct his business, then there may be some of us here—all of us I hope that providence spares—who will look over the 20 points at that time, and we will ask him for an accounting.

We will say to him, "We gave you talents, we gave you the talents as in the Old Book, now show us what you have done to increase them. Make your report to us." And the hon. member for Dovercourt (Mr. Thompson) in his perceptive and effective way, he can stand there then and ask him question after question, and tell us about the studies that the hon. Minister's economic council has made, tell us about the bacon and cheese and the radios, and the nickel, and the forest products that he has sold abroad—and the bologna that he has sold abroad.

That will be our opportunity, apart from all the words and all the verbiage and all the studies, for us to assess in real terms, whether we are justified in voting to the hon. Minister this vast amount of money that he wants. We will be here a year hence to get that account-

ing, to get that report of his stewardship from him.

Hon. Mr. Macaulay: Well, I would say to the hon. member that I think his comments really do not amount to very much. He is fond of quoting French words, several of which he mispronounced, he lectured me about not pronouncing Mr. Gillis' name correctly, but I would like to point out to him that the president of the Ford Company is not Mr. "Rice" Sale, either.

I would say really and truly to the hon. member for Sudbury (Mr. Sopha) if he summed it up, if he stood for the integrity of his party in foreign trade, then he does not want to do anything to help our economy. He made very derisive and attacking comments in relation to the question of an advisory council, but I want to quote to him a statement contained in the *Toronto Daily Star* of February 21, 1962; the contents of this were taken right out of this book:

Establishment of a national economic advisory council to aid private industries through crucial changes in the economy was advocated last night by Liberal leader Lester B. Pearson. Such a council, Mr. Pearson told a dinner meeting of the Toronto Junior Board of Trade, should include representatives of business, labour, agriculture and government. The council's function, he said, would be to find out and analyze what is going on.

Mr. Reaume: He is a good man, that fellow.

Hon. Mr. Macaulay: Well, he may be a good man but he apparently does not know what is going on.

And to study what is planned in all types of industry, in all regions of Canada, to study such major problems as automation, to investigate economic trends, to publish outlook reports and finally to make recommendations to government which in our system has and must retain the responsibility for policy of action. An economic council, he said, would aid in ensuring that Canada's economy now in a gentle upswing, continues to improve.

And so saith the gentleman.

It being 6 o'clock p.m., the House took recess.



Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Thursday, March 15, 1962
Evening Session

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 15, 1962

The House resumed at 8 o'clock, p.m.

ESTIMATES, DEPARTMENT OF ECONOMICS AND DEVELOPMENT

(continued)

On vote 302:

Mr. E. W. Sopha (Sudbury): I invite the hon. Minister to answer my query about the economic advisory council.

Hon. R. W. Macaulay (Minister of Economics and Development): There is no vote, as the hon. member will note, in relation to the economic committee to which he makes reference.

Mr. Sopha: Mr. Chairman, that is hardly an answer. I referred to an announcement by the former hon. Prime Minister of this province (Mr. Frost), setting up this body, and surely the Opposition is entitled to know what has happened to this body and what has happened to the personnel who were appointed to it by the man who formerly had the responsibility of leading the government.

Hon. Mr. Macaulay: On what possible basis? They are voting no money for it, they are not asked to vote any money, and on what possible grounds have they any right?

Mr. Sopha: This is plainly a search for information and we are entitled to have this information from the responsible hon. Minister.

Hon. Mr. Macaulay: The purpose of the estimates is to discuss the various amounts of money which are requested for the purposes that are shown opposite the relative votes, and there is nothing here relating to this.

Mr. K. Bryden (Woodbine): Well, Mr. Chairman, the hon. Minister of Economics and Development has tried to advance this proposition previously, but I submit to you, sir, that in common sense and on the basis of recognized procedures in almost any parliamentary assembly, in voting money it is

legitimate to inquire into the way that government has spent its money on similar matters in the past. That is a legitimate part of the inquiry, surely.

Hon. Mr. Macaulay: That is perfectly proper, and if the hon. member can show the item in the public accounts relating to the question of the hon. member for Sudbury (Mr. Sopha) I would be happy to discuss it.

Mr. Bryden: Well, of course the public accounts are a year old.

Mr. R. M. Whicher (Bruce): Mr. Chairman, I would like to ask a question. It is that there is no item in the accounts for the advisory council, but is it possible that the formation of an economic council, for which there is a cost of \$150,000, could be a duplication of an advisory council that was set up by the former hon. Prime Minister?

Hon. Mr. Macaulay: No, there is no possibility of that.

Mr. J. J. Wintermeyer (Leader of the Opposition): Well, Mr. Chairman, with deference, I think the hon. member for Sudbury (Mr. Sopha) raises a very legitimate question here. I think that for years now we have proceeded on the theory that the estimates were an opportunity to examine into the operations of the various departments, and constantly we have asked for an opportunity to quiz a particular Minister with respect to a particular division of a department, and very often it was said: "Well, we will agree in this instance that you will do such and such under a given vote, even if there is no reference in the given vote to the subject matter," and I think Ontario Northland Railway, for example, is just such an illustration.

Hon. Mr. Macaulay: This is something I offered. I do not really think that it needed to be done. It could have been done as it was done in the days, some years ago, through the committee on commissions. This is the only place it has ever been examined before. This year I thought the hon. members were quite entitled, and should properly ask

questions about it, and therefore I suggested it be done this way.

Mr. Wintermeyer: Well, Mr. Chairman, the point I am trying to make is that in any parliamentary institution a certain evolution takes place; it is bound to. One thing that we have got to come to grips with, in the course of the next few years, is the bureaucracies of government as such. We will have to find a new way of examining into all the bureaucracies some time, but surely tonight when we are concerned about the economic development of Ontario primarily, this is an appropriate time—

Hon. Mr. Macaulay: There is no indication of it so far. The Liberal Party is showing not one whit of interest in the economic development—

An hon. member: Why does the hon. Minister not answer the question?

Mr. Wintermeyer: Just a moment, Mr. Chairman. I take exception to what the hon. Minister has said.

Hon. Mr. Macaulay: The hon. leader of the Opposition (Mr. Wintermeyer) can take all the exception he likes.

Mr. Wintermeyer: Mr. Chairman, I suggest to you that you have to exercise a certain prerogative and that is to protect the position of our hon. members in this House. Anybody who has taken an elementary course in English and Canadian history knows that a function of the Opposition is to inquire into, on a broad scale, operations of the government, and I suggest to you that the very institution of this Parliament evolves from the original concept of the opportunity of free men to oppose the whims of the monarchy; and, as a resolution of that evolution, that performance that was originally intended to be performed by all the members of Parliament now evolves on a small section. I for one take exception to those who feel that we have no position here, and that we are trying to tear down and minimize and make fun of, if you will, the operation of government.

Hon. Mr. Macaulay: You are.

Mr. Wintermeyer: We are not. This is our purpose, to come and examine into and to try to find weaknesses. What other time have we got to do it? Does the hon. Minister realize that these seven-odd precious weeks that we have are the only time that we can learn and get at and determine the effective operation of this government? This is the

institution we live under. I for one feel that in these estimates somewhere there is every logical reason for asking the question: what has become of the advisory—or whatever its term—the advisory council that was instituted by the former regime?

I am sure that if it was not for a little bit of pique that has arisen somewhere, and I do not know where, the hon. Minister would never think of opposing this question. Of all the logic in the world, I think this question has much validity. And, Mr. Chairman, therefore I deal directly with you. When we are talking about this House and its operation, and it is a legitimate operation, as a member of this House I appeal to you to ask the hon. Minister to reconsider and to extend the courtesy of an answer to a question that has been asked by the hon. member for Sudbury.

Hon. Mr. Macaulay: I would point out to the Chairman, since the hon. leader of the Opposition is making a direct appeal to him in relation to what I would presume to be a point of order, that I should discuss under the heading of the vote now before us, vote 302, which is directed solely towards the operation of the economic council, why I should not now discuss some other item, and I am pointing out simply to the Chairman of the House that there is \$150,000 requested for the operations of the economic council; there is nothing here in relation to the subject matter which he now has under discussion.

Mr. A. J. Reaume (Essex North): Mr. Chairman, it is a very simple question and I think it is a related one, too. This is the first time that I have ever seen, in the operation of this House over a long period of years, a responsible Minister of the Crown elect to set himself up as a czar, and refuses, because of a swelled head or something, to answer a very simple little thing. Now, we have asked him oftentimes. This is about the fifth time that we have asked this very simple thing, and why he will not answer it I do not know. It is nearly time I think that we asked another question. Who is the hon. Prime Minister of the province, the hon. Minister of Economics and Development or the man at the other side of him?

Mr. R. C. Edwards (Wentworth): Mr. Chairman, the hon. Minister, I submit to you, sir, has relied upon a technicality in withholding information which we are trying to obtain. He suggested earlier that if we could show any place in these estimates

where there is anything for the advisory council, or in the public accounts, that it would be a different matter. I suggest to him that it is just as reasonable for us to use a technicality to prove that there is something in these estimates, and I refer to the matter of postage and stationery, if you will. Surely this group must have been contacted at one time or another by the government, either in that form or by telephone. I am sure that this would not have been made without—now, I submit, Mr. Chairman, that of course this is a technicality and it is almost silly, but I submit to you, sir, that it is no more ridiculous than the reasons that are being given to the Opposition for not giving us this information.

I wonder if I might frame the question in another way. I wonder if the hon. Minister would tell us how the responsibilities which are to be given to the economic council differ from those of the previous economic advisory council.

Mr. Chairman, I suppose it is the prerogative of hon. Ministers to answer or to refuse to answer. It appears at this time he is refusing to answer, and I suggest to you, sir, that in so doing he is leaving us with nothing but suspicion; and in refusing to answer I submit that it is evidence of responsibility and that he is not able to answer. If he does not answer there is only one prerogative left and that is to vote against the estimates.

Hon. G. C. Wardrope (Minister of Mines): Mr. Chairman, may I have a word for a minute? I have never spoken on this vote at all.

Mr. D. C. MacDonald (York South): Mr. Chairman, this afternoon one of the hon. members on this side of the House made a crack at the hon. Minister, that the only thing he failed to do was to take the right Dale Carnegie course, and I think he has proven the validity of this. All the hon. Minister had to do was explain this. That committee has now been superseded by another broader one in the development of his programme. It was a simple thing to say so, but the hon. Minister on occasion gets nasty and petty and peevish. I think he has brought the whole trouble on himself.

Mr. Chairman, I move, seconded by Mr. Thomas: that in view of the hon. Minister's refusal to answer a reasonable question related to vote 302, the said vote be reduced to \$1.

Mr. Chairman: All those in favour of the motion will please say "Aye."

All those opposed say "Nay."

In my opinion, the "nays" have it.

Call in the members.

Those in favour will please rise.

Those opposed please rise.

I declare the motion lost.

Vote 302 agreed to.

On vote 303:

Mr. Bryden: Mr. Chairman, I would like to direct a question to the hon. Minister which I think applies also to vote 304, so perhaps I can put the question in relation to both votes. I would judge that the economics branch and the economics statistics branch are the two principal research branches within the department. If I am correct in that assumption, I would like to ask the hon. Minister how many qualified economists and statisticians are employed in those two branches.

Hon. Mr. Macaulay: Which branch?

Mr. Bryden: We are on vote 303, and I was making my question applicable also to vote 304.

Hon. Mr. Macaulay: We will come to vote 304 when we do. There are 20 in relation to vote 303.

Mr. Bryden: Twenty economists!

Hon. Mr. Macaulay: On 303 and 304.

Mr. Bryden: In relation to the two of them?

Hon. Mr. Macaulay: Yes!

Mr. L. Troy (Nipissing): Mr. Chairman, I would like to ask the hon. Minister a question. The studies that were made by the former Department of Commerce and Development, I presume, will apply; or will these reports made by the economic development committee on forestry, on agriculture, on transportation, on tourism and all the investigations made in those reports now be thrown out the window? It is no wonder that like that other soldier of classical times, the former hon. Minister of Commerce and Development (Mr. Nickle) apparently is sulking in his tent, because he is not here.

As the hon. member for York South (Mr. MacDonald) said this afternoon, it was "pot-pourri"; and somebody else said window

dressings. I think probably with the close approach of St. Patrick's day, one might call it an Irish stew.

Seriously, sir, if hon. members look at it, I suggest they could save a lot of money in this department by buying a subscription to the *Monetary Times*! It has all sorts of material about northern and northwestern Ontario and northeastern Ontario and research committees from that Department of Commerce and Development have gone up there. They sat at the head of the lakes, they sat at North Bay, at Timmins. All that information, apparently is not wanted at all by this particular hon. Minister.

Professor McDougall has already conducted a survey of the Ontario Northland Railway in regard to the transportation. He was directed by the former hon. Prime Minister of this province (Mr. Frost) to do it. I cannot see how much more the hon. Minister is going to get from this present investigation.

Hon. Mr. Wardrope: Hon. members opposite would not do anything anyway.

Mr. Troy: It is better to do nothing than to do something the wrong way. Are these investigations of any use to the hon. Minister's department? If he has not got them, I can send them over.

Hon. Mr. Macaulay: Thanks! Do that!

Mr. R. C. Edwards: Mr. Chairman, recently, the special economic survey of the Lake Ontario region was released and distributed to the hon. members. I understand it was the fifth in a series of 10 regional reports by the province of Ontario. I wonder if the hon. Minister would tell us when the remaining five surveys might be completed.

Hon. Mr. Macaulay: The report to which the hon. member refers is actually under vote 304, but I will answer it here if he will repeat the question. I am sorry, I did not hear what the question was.

Mr. R. C. Edwards: Mr. Chairman, my question related to the studies and the surveys which have been concluded by The Department of Economics dealing with the economic surveys in the various regions of the 10 areas into which Ontario was broken into for this particular purpose. My question is: when will the remaining five surveys be completed and when will they be published?

Hon. Mr. Macaulay: I would say to the hon. member that they are done as quickly as we can do them. We have done five or six of

them now and there are a number yet to complete. A number of them are under study at the moment and our anticipation is that we will produce one every nine to 12 months. They are quite detailed. They take a great deal of time, and I should think that would be about the programme.

Mr. R. C. Edwards: Well, Mr. Chairman, I wonder if the hon. Minister would tell me: is there not a problem when they are so far apart, does it not follow with some logic that, by the time the entire survey is completed, the original report is somewhat obsolete?

Hon. Mr. Macaulay: No, each report would be up to date. All reports are not analogous, or commencing from the same starting point, but each report itself is up to date when it comes out.

Mr. R. C. Edwards: Well, it seems to me that they do not tie into the overall programme. My understanding was that for the purposes of producing the information, Ontario was broken into these ten regions. Now I suggest that if it takes this long, by the time these reports are ready, the original ones are of little significance in the overall picture. That is what I am suggesting.

Hon. Mr. Macaulay: Well, I would say this to the hon. member that the Deputy Minister advised me that, instead of nine months, it is about six months. These reports are published about every six months. After the reports have been published, the up-to-date information in connection with each one of them is sent out to the various regions.

Mr. R. C. Edwards: I have one other question and I presume it would come under these estimates, Mr. Chairman. It deals with the matter of co-operation with the universities in the matter of the entire economic picture. It so happened that recently a report came to my desk dealing with an area under another jurisdiction where they make full use of the universities with respect to the compiling of information, research and what-have-you.

I wonder, how much does this department co-operate with the various universities? Are we getting the maximum from the universities that are growing in our province and are available?

Hon. Mr. Macaulay: I think so, yes.

Mr. R. C. Edwards: To what extent do we co-operate? In what way do we co-operate with the universities?

Hon. Mr. Macaulay: Well, for example, just one that I can think of: the preparation of the submissions to the Royal commission on banking and finance. We have had five or six meetings with two or three of the professors—one from McMaster, one from Queen's and one from Toronto—and we have plotted out the programme that we contemplate would be wise to represent in our submission, and we have allotted to each one of ourselves the various areas and the comments after a number of meetings. This takes place in relation to a number of the studies that we are undertaking. This is true in relation to Professor Bladen and a number of others.

Mr. A. E. Thompson (Dovercourt): Could I ask if the hon. Minister is using—I am thinking of university staffs during their holidays—if he is giving grants for special studies by these experienced men who would not want to be full time on the government? Is he using, for example, various departments of economics in the province?

Hon. Mr. Macaulay: Well, our obligation, sir, is to prepare the material which we need, rather than to fill the summer holidays of anyone else. Now if our obligation meets the summer holiday requirement of these people then we join these forces together.

Mr. Thompson: Well, I appreciate the hon. Minister is interested in the summer holiday—

Hon. Mr. Macaulay: In fact we take on in the summer, in the neighbourhood—

Mr. Thompson: Whom does the hon. Minister take on in the summer?

Hon. Mr. Macaulay: We take on about 10 economists in the summer.

Mr. Thompson: I had a further question here. I noticed in the 1960-1961 Department of Economics, public account, report—I presume that The Department of Economics is now the economics branch; am I correct in that?

Hon. Mr. Macaulay: No, there is no—it is a very difficult thing to place actually. Just suppose any specific vote in the estimates of this department is in relation to the department which existed before. We have tried to streamline this, reduce our staff and change some of the functions. So it is very difficult, there is a considerable overlap.

Mr. Thompson: Well, could I ask the hon. Minister this? In the estimates of 1960-1961, under The Department of Economics, there

were fees and expenses for special studies in research, and the names under this were D. C. McGregor, Mercer, Shepherd. They do not seem to be in these estimates. Is that because their studies are finished or are they being continued under another department?

Hon. Mr. Macaulay: I would be happy to look up that information for the hon. member and send it to him.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, I would ask the hon. Minister: has the department taken any study as to the amount of printing that is done outside the province of Ontario? I specifically refer to supplements of the various magazines or newspapers—likewise the various containers. I can recall popsicles, ice cream phosphates and various other types of containers similar to that. I understand they are printed in the United States and then imported into Canada. Is there any study taken concerning that?

Hon. Mr. Macaulay: In relation to the amount of printing which is done generally outside this province, I can say to the hon. member who asked the question, there is, as he knows, a great deal of refining of the pulp and paper industry in this province, and the export and the buying back. This is one of the items in the fabrication gap that we are hoping to help close.

Mr. Wintermeyer: Mr. Chairman, I have wondered for some time whether the hon. Minister has determined the purpose and operation, if you will, of this particular branch in the overall department. Now heretofore it was a separate department.

Hon. Mr. Macaulay: I think it would be easiest, perhaps, if I referred the hon. leader of the Opposition (Mr. Wintermeyer) to these notes that I have. The duties of this particular branch, as opposed to several others—and they come quite close to one another, I acknowledge—but it has a number, and the first is that it undertakes research and studies on the Ontario and Canadian economics, such as manufacturing, capital investments, population, employment, trade relations, economic problems of individual industries and localities.

Second, its purpose is to maintain a continuing review of economic trends and conditions and prepare monthly reviews of economic trends.

Yesterday, if the hon. leader of the Opposition will recall, there was distributed to him a review of economic trends, which is a bi-monthly review of economic trends. It has

had up to now a very limited circulation but I have asked that it be circulated to the hon. members of the House.

It is really a very worthwhile document. I think the hon. member will obtain a great deal of value from it. I would say to the hon. leader of the Opposition, Mr. Chairman, as in anything that relates to the temperature of a patient, or the ups and downs of an economy, it may have some good news and some bad news, but I think hon. members are entitled to get both. So I have asked that this be distributed. It is very well written and I think the hon. members will obtain a great deal from it.

Third, it provides a secretariat for the special commissions or committees such as the committee on portable pensions, the Ontario fluoridation investigation committee, and so on. Its fourth responsibility is to prepare the Minister's economic statement—which, incidentally, although it may seem long and tedious and full of charts, and so on, is a very difficult document to prepare. It takes a great deal of time and, frankly, is worth some study. It helps to prepare material for the province's submission to the Royal commissions, a number of which I have mentioned this afternoon.

And last, the branch prepares memoranda on specific problems, information on specific problems as they may develop. This is how we have tried to break down the responsibilities of the economics branch.

Mr. Wintermeyer: That is exactly the information that I sought, and I would say very frankly I think this is a commendable thing that more information of this sort be—

Hon. Mr. Macaulay: May I just say this to my hon. friend, who I know has a great interest in all these economic publications: we have a large number, a number of which we will be releasing to the House or to the hon. members very soon. My purpose in the coming year, in addition to the other things that I have said, is to keep hon. members as well advised as I possibly can, because I think, regardless of how partisan people may be in this House, a well-informed member of this House is a very good representative of the province.

An hon. member: That is a good idea.

Mr. Thompson: Mr. Chairman, could the hon. Minister tell me if a study has been made of the fiscal relation between governments?

Hon. Mr. Macaulay: Yes, and this relates to a vote somewhat further on.

Mr. Thompson: I am sorry that I did not hear you.

Hon. Mr. Macaulay: This relates to a vote somewhat further on.

Votes 303 to 305, inclusive, agreed to.

Mr. Chairman: Vote 306—I would like to ask the hon. Minister if he is going to debate vote 306 and vote 312 at the same time?

Hon. Mr. Macaulay: Yes, both together.

Mr. Sopha: Mr. Chairman, I wanted to ask a question on vote 305.

An hon. member: It is too late.

Another hon. member: No, it is not too late.

Mr. Chairman: On vote 305:

Mr. Sopha: I wanted merely to ask the hon. Minister what the organization in vote 305—finance and administration branch—does?

Hon. Mr. Macaulay: I think, unlike my hon. friend who handles the language with such facility, that it is easier perhaps if I read to him the four specific assignments which we arranged some weeks after these two departments were organized:

(1) To undertake financial research into questions of interest to the government, the department and other government departments; (2) To maintain a continuing review of the bond market, interest rates, exchange rates, etc., in Canada and the United States, United Kingdom and elsewhere; (3) To provide administrative services for the department; and (4) To undertake any specific tasks which were assigned to it by any one of the departments.

Mr. Sopha: I thank the hon. Minister for that very comprehensive answer. Now that he and I have established rapport perhaps he will tell me what happened to the economic advisory council?

Hon. Mr. Macaulay: Well, as a matter of fact, I want frankly to say to the hon. member, in that it is he who has asked me, that it is still where it was.

Interjections by hon members.

Mr. Chairman: Order.

Mr. Bryden: Mr. Chairman, I assume, sir, that we are dealing with 306 and 312 as one item.

An hon. member: We are on 305.

Mr. Bryden: Are we still on 305? Do you want to deal with 305?

Mr. R. C. Edwards: Well, I do not suppose I will get any further, Mr. Chairman, but I wanted, if I could, to pursue this just a little. Does this financial and administrative branch—I understand that it inquires into economic financial policy and I refer back to the publication I referred to earlier in the day. Does this department make any economic forecasts into the future—in other words, the affairs of this province, say, five years from now? Do they do any work along this line?

Hon. Mr. Macaulay: I would say to my hon. friend, who has asked a most proper question, the basic purpose of the finance and administration branch is to look after the administration of the department. That is to say, pay, personnel and so forth. In addition to that it undertakes specific studies that may be given to it either by the Minister, or through the Minister by other departments.

Mr. Thompson: I think one of the questions that is in our minds is about the so-called secret report to the federal government—

Hon. Mr. Macaulay: I assure the hon. member that we have no secret reports whatsoever. In addition to the things which have been mentioned, that the finance and administration branch carries out, is an analysis of enrolment staff and financial position of each of the 13 universities receiving provincial grants, undertaken on behalf of the university affairs committee. There are a number of other studies, we have a number of them here, but our job is as a central clearing house for research; our job is to do these things which are asked of us by the departments.

Mr. Thompson: I apologize that I am not sure, in view of the many departments that the hon. Minister heads, under which I should ask this question. Surely he has some kind of a forecast of the economy each year on which he gauges his budget? Does his department provide this forecast?

Hon. Mr. Macaulay: What kind of a forecast?

Mr. Thompson: An economic forecast on which the hon. Minister decides how he can make his policies each year.

Hon. Mr. Macaulay: I just made reference to this in terms of the booklet which I handed out to hon. members yesterday. Did the hon. member read it?

Mr. Thompson: No, I have not had a chance yet.

Hon. Mr. Macaulay: I think when he has read that he will realize that answers the question.

Mr. Thompson: That is the forecast?

Hon. Mr. Macaulay: Yes. Well, it is the question the hon. member has asked.

Mr. Thompson: I want to know about the forecast.

Hon. Mr. Macaulay: I am not sure what the hon. member expects.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Chairman, we have been very busy since this book arrived, but I would say that I have looked through it and—

Hon. Mr. Macaulay: The hon. member does not have it open at the moment.

Mr. R. C. Edwards: —and I do not see too much of an analysis with respect to the economic and financial conditions and trends. Is this of the province or the government?

Hon. Mr. Macaulay: Is this the book the hon. member has? Would he hold the book up so I can see that he is reading from it?

Interjections by hon members.

Mr. R. C. Edwards: First of all, I did not tell the hon. Minister I was reading from the book but I do have it.

Hon. Mr. Macaulay: The hon. member asked this same question under another heading and I did my very best to answer him then.

Mr. R. C. Edwards: Mr. Chairman, the question I am specifically asking now is with respect to the function of the department as set out by his own Deputy Minister.

One function, section (a) is the economic—

Hon. Mr. Macaulay: It was not set out by the Deputy Minister, I decided what it would be and I told the hon. member how it has been settled.

Mr. R. C. Edwards: Mr. Chairman, he has not told me, because I have not asked the question yet. I do not know how he could tell me before I have asked the question.

The question I ask is this: the book that I have in front of me states that one of the functions of the department is to analyze and advise upon, and make recommendations on matters pertaining to economic and financial conditions and trends. My question to the hon. Minister is: Is this referring to trends in the province or trends of the government?

Hon. Mr. Macaulay: This relates to trends—I mean the fact that the hon. member would ask about trends in the department simply is so ridiculous as to be beyond words—but it relates, if he will just sit down; can he?

Mr. R. C. Edwards: Yes.

Hon. Mr. Macaulay: Or was his stamping an indication that he has something to get rid of other than in here?

Interjections by hon. members.

Hon. Mr. Macaulay: I would say to the hon. member, I spent an hour and half in this House and distributed an economic statement of this province relating to the last year and the forecast for the present, and here it is. Has he read it? Was he here when that was presented?

The point is that this economic statement answers the two questions he has asked.

Are these economic trends from the department? No, they are in relation to the provincial economy and they are set out in my economic statement.

Mr. Whicher: Mr. Chairman, the hon. Minister has said that the word "trends" was completely irresponsible and that it should not be talked about in this debate.

Hon. Mr. Macaulay: I did not say at any time that "trends" was irresponsible or make any reference to it.

Mr. R. C. Edwards: Mr. Chairman, I have nothing to get rid of that I am not going to get rid of right here. The hon. Minister has inferred to me that the trends he spoke of are the trends of the economic situation in the province generally. I wonder if I am correct that far. Would the hon. Minister assure me?

Now I do not find that compatible with the other functions as set out in this report. This speaks of economic and fiscal policy, fiscal relations between governments and any other matter referred by the Lieutenant-Governor in Council. It goes on to say that one of the most important functions of the department is a continuing review carried out with respect to tax-sharing arrangements and the various sources of revenue and expenditure.

Hon. Mr. Macaulay: This is because my hon. friend is on the wrong vote. Which vote is he talking about?

Mr. R. C. Edwards: I am talking about the statistics.

Hon. Mr. Macaulay: Well, we are not. This is not the vote now before the House.

Mr. R. C. Edwards: Mr. Chairman—

Hon. Mr. Macaulay: We are dealing with vote 305, financial administration.

Mr. R. C. Edwards: Is that not the vote with which we are dealing?

Hon. Mr. Macaulay: I do not know, the hon. member is the one—

Mr. R. C. Edwards: I thought we were dealing with financial administration and I thought this was financial administration. The hon. Minister advises me I am not speaking on the right vote. What vote would this subject that I am talking about come under?

Hon. Mr. Macaulay: This is a very difficult thing to say.

Mr. R. C. Edwards: It is all very well to be sarcastic, but I would remind the hon. Minister that I am getting my information from the document which came out of his department.

Surely, somewhere in these estimates, there should be an opportunity to question the functions of the department as outlined in the hon. Minister's own publication. I raised this under the very first vote. He did not answer me at that time and I assumed that it was proper to raise it under financial administration. Now if the hon. Minister is not going to answer me and he is going to lean on the technicality that this is not the proper vote, I ask him what the proper vote is so that one year from now I will at least be on the right vote when I wish to ask a question and he will not be

able to use that as a technicality. Now surely that is a reasonable question.

Hon. Mr. Macaulay: I do not know, my hon. friend. I would not for a moment want to withhold any information which he would ask for rightly, but I would think even my obligation to answer them when he has, as he has, impolitely asked for them—but if the hon. member would tell me what question it is that he has to ask, I will do my best to obtain the information for him, if he can put it succinctly, without a lot of sarcasm, and get down to the point.

Mr. R. C. Edwards: Mr. Chairman, I wonder if the hon. Minister would consider that it would not be sarcastic of me if I were to send him the booklet that I have in front of me published by his department, and referring particularly to page 24. I have the items marked and underlined. I wonder if he would look at it and tell me what portion of his estimates will relate to the information as contained on that page. If he would do that, I would be pleased to bring this stuff under the correct vote.

Hon. Mr. Macaulay: If the hon. member mails it to me, I would be happy to look at it.

Mr. R. C. Edwards: I would be pleased to send it over with a page-boy at this time; and I would think that it would be courtesy on the part of the hon. Minister to give me the information at this time so that we can deal with it under his estimates.

Hon. Mr. Macaulay: If the hon. member will send it over, I will look at it.

Hon. Mr. Wardrope: Mr. Chairman, might I ask what vote we are on?

Mr. Chairman: Vote 305.

Mr. R. C. Edwards: Mr. Chairman, I object to it being carried until I get an answer, because then we will use the technicality that—

Mr. Chairman: Send the book over then.

Hon. Mr. Macaulay: I would say to the hon. member that he has underlined a considerable number of portions of this page, all of which relate to the operations of the department, and if he would be kind enough to give me the specific questions that are concerning him, I would be happy to send him the answers.

Mr. R. C. Edwards: Well, Mr. Chairman, I would suggest to the hon. Minister that

the questions are on record, and I wonder if he would undertake to send me the answers.

Hon. Mr. Macaulay: Well, if the hon. member thinks that they are on record, I will send them to him.

Vote 305 agreed to.

On vote 306:

Mr. Bryden: Mr. Chairman, I have some comments I would like to make with regard to vote 306 and the related vote of 312, both of which relate to the housing branch. It would appear from announcements made to us during the past few weeks that this government is the most studious government in the history of British parliamentary institutions. Everything under the sun is under study; nothing whatever is under way, or practically nothing, and this is nowhere better demonstrated than in relation to the government's housing programme.

We have had a number of announcements of this programme. I will give the government credit for this; they have learned the technique of the old master, who used to lead the government over there, of getting every conceivable drop of publicity out of even the driest sponge. They announce the same thing over and over and over again, and that is what they have been doing with housing.

Hon. Mr. Macaulay: The hon. member has been reading Mr. O'Hearn's column.

Mr. Bryden: Well, it is very useful reading. I did not particularly read that one, but if Mr. O'Hearn was the first one to call attention to this then I will give him full credit for his perspicacity.

I will refer to one of the announcements only; the one that was the most comprehensive and possibly even the most authoritative since it came from the hon. Prime Minister. That was his announcement in this House before the orders of the day, on February 23, of a so-called 12-point housing programme, which he declared to be "a new, broader and bolder approach to public housing." Three of the points were matters which the government was discussing with the federal government with no indication of action on any of them. As to the rest, they were mainly matters that were under study. There is one, item No. 4, I think, on which a certain amount of minimum action is being taken. We find, however, that in item No. 5, the government is planning "to explore what can be done" to encourage preventive maintenance of housing. In No. 6 we are told that "studies

will be carried out" with regard to the provision of assistance to individuals and municipalities in acquiring borderline housing units.

Item No. 7 declares that "there are numerous possibilities under study" with regard to limited dividend housing. Item No. 8: "We are studying a plan to assist by guaranteeing loans for interim financing," etc. Item No. 9 deals with "studies to be undertaken." Item No. 10 now puts the whole thing in one pot; it says we are going to set up "a permanent housing advisory committee." So we are studying everything under the sun and then we are setting somebody up to study us. I take it that is the significance of this.

The 11th point is different, Mr. Chairman, and I hope the House will distinguish the subtle distinction. It provides that grants will be provided so that people can study the question. Finally, item No. 12 is in much the same category, although I think a little more practical. It is one that I would almost put under the category of action. The government is going to co-operate with CHMC in encouraging research into improved building methods, which I think is a very necessary and important item.

However, out of the 12 items in this so-called new housing programme, at least 10 indicate merely various types of study that the government is undertaking. Then, just in case any of us missed the point, the hon. Prime Minister (Mr. Robarts) stated in his conclusion that "it is obvious that we cannot leap into many of the matters that I have mentioned here, without further study."

So we will conclude that the government is engaged in some study of the housing programme and the very serious and acute problem of providing public housing for the very substantial portion of families who really cannot afford private housing.

One asks the question as to what the government has been doing since 1943, that all these urgent matters are now for the first time being studied and the government cannot leap into action on any of them because it still has to study. It would appear, Mr. Chairman, that in this particular area the new administration is doing exactly what the old administration used to do, and even the older one before that.

One of the controllers of the city of Toronto, who at one time sat in this House, stated, a good many years ago, that in this province we have housing by headline. I think it was a very apt statement at the time he made it, and it is a very apt statement now. We never get any housing, we merely

get a lot of announcements that catch headlines as to what the government is thinking of doing. I would guess that anyone who checks back through the records would find that every year the government made an announcement of a bold new approach to the problem of housing and once again we have an announcement of a bold new approach.

Actually, it is hard to see what is so bold about it. As I have mentioned before, the amount of money that is to be appropriated for this bold new housing programme—if we take both the vote for current expenditure, vote 306, and the vote for capital disbursements, vote 312—if we add the two we come to a grand total of \$6,667,000. This is approximately the amount of money that this House has voted to the government for housing every year for as long as anybody can remember. It is perfectly true that in the past the government never spent the money that was voted to it, pitiful as that amount of money was.

It is possible that this year they plan to spend it; I do not know. That would make a slight improvement. I would still suggest, Mr. Chairman, it is a picayune amount when one considers the very urgent need which continues to exist in this province, as far as housing facilities for at least a third of the population is concerned at the lower end of the income scale.

The hon. Minister seems to be somewhat self-conscious on this matter because, in the statement he made on Tuesday in introducing the estimates of the department, he said at page ten of that statement: "The dollar value of the programme is not nearly as important at this stage as the prospects which it holds for the public."

I would suggest, Mr. Chairman, that prospects make very poor shelter against the weather. It really is time, after nearly 20 years of Tory administration in this province, that the people had something more than prospects as far as houses are concerned.

The one item which seems to be of some practical significance, and with which the government is making some attempt to proceed at the present time, is the so-called rent certificate scheme. For this particular scheme they are appropriating the tremendous sum of \$50,000 so that one can expect a tremendous dent is going to be made in the backlog of housing demands and housing needs with that particular item. The government frankly says that it is an experimental project.

I would suggest that it is an experiment that should be watched very carefully because

I think there is a serious danger that it will in fact be much less of a means of providing low rental housing to families that need it and much more of a method of protecting landlords from the normal economic force. There is now a surplus of high priced housing accommodation in this city. The city is overbuilt to a considerable degree in the rental area of \$125, \$150 a month and so on.

We are grossly short of housing that low income families can afford. And here is a plan whereby the government, or the city of Toronto with the assistance of the government, is going to take off the market some of these vacant units, pay the landlord the rent that he was not able to charge for the apartment, and then subsidize the landlord by charging the tenant somewhat less than the price the landlord was asking.

I suggest that it might be better if this government, which always claims that it believes in free competition—although I must say that there has been very little evidence in its actions that it ever believed in that—let the force of competition operate. Maybe some of these rents would come down by themselves, especially if we changed the law by removing that provision in The Assessment Act which now permits landlords who have a certain vacancy rate to get a reduction in their taxes on account of the vacancies.

The situation we are now in is that landlords are on the one hand making provision for vacancies in the rent they charge, and then they get provision for vacancy made again in a reduction of taxes. Now the government is giving them a third bulwark, it is introducing a plan that will help to maintain their rents at the uneconomic level at which they are now being set.

I am prepared to see what happens with this experiment, but I think we should be very much aware of the pitfalls that are inherent in it. I think very careful attention should be paid to make sure that the plan does not essentially become a scheme for the protection of landlords rather than for the benefit of low income families.

Whether my fears with regard to this plan are justified or not, I would suggest that that particular item is a pretty picayune affair when one considers that, apart from study, it is pretty well the sum total of the new broader and bolder approach to public housing to which the hon. Prime Minister (Mr. Robarts) made reference in his statement of February 23.

I was appalled to read, Mr. Chairman, in the hon. Provincial Treasurer's (Mr. Allan's)

budget statement, that the province last year, or during the fiscal year which is now coming to an end, will spend only \$2 million, as far as capital budget is concerned, for housing in this province. The amount that we voted last year for capital was, I think—

Hon. Mr. Macaulay: Might I draw the hon. member's attention to the fact that it is not in the year that is just coming to an end: I think the booklet that he has ends in 1961, does it not?

Mr. Bryden: This is on the top of page 27 of the hon. Provincial Treasurer's budget.

Hon. Mr. Macaulay: I am sorry, I thought the hon. member was reading from the—

Mr. Bryden: Well, it really does not matter because it was the same last year too, and the year before, and the year before that. Always we have voted some such sum as \$5.6 million for capital purposes for housing, and always the expenditure turned out to be a million and a half or two million dollars. Never was the money spent, even though the original vote was totally inadequate.

My submission, Mr. Chairman, is that the kind of statement the hon. Prime Minister has made, and which has been repeated in condensed form both by the hon. Provincial Treasurer and the hon. Minister in the introduction of his estimates, does not indicate any serious intention to tackle the housing problem. There are one or two minor little devices which are being undertaken or considered that might improve the situation, but basically the problem of public housing is still not being approached.

The most one can say is that once again, for at least the last 15 years, the newspapers have risen to the bait and produced screaming headlines to the effect that something will be done about housing.

Now, I have the greatest of respect for all the newspapers and the newspaper men in this province, but I really do think it is time they wised up to this housing situation. They have fallen for this line every year for as long as I can remember, and I think it would be useful if they would actually analyze what has gone on and what is now contemplated and publish the true facts which are that we still do not have anything approaching an adequate housing programme.

Mr. A. F. Lawrence (St. George): Mr. Chairman, unlike the hon. member for Woodbine, I would like to sincerely commend the government for this bold new plan of housing,

especially the rental certificate plan that has been announced by the hon. Prime Minister.

Now, I must admit that perhaps I have not studied the announcement to the extent that I should have, but there are one or two aspects of it that rather puzzle me. First of all, as a member in this House for an area of the city of Toronto—in which this plan, I think, could be put immediately to work—am I to assume that this rental certificate plan must work through a municipal housing authority scheme? Is that correct?

Hon. Mr. Macaulay: I would say to the hon. member who asked the question, that this is a pilot scheme and we are going to try it out for the first 12 months in Metropolitan Toronto and it will work through Metro Toronto housing.

Mr. Lawrence: This was the point I was confused by. Is it going to work through the Toronto Housing Authority or the Metropolitan Toronto Housing Authority?

Hon. Mr. Macaulay: The Metropolitan.

Mr. Lawrence. Metropolitan. That is what I was asking, I thank the hon. Minister.

Hon. Mr. Macaulay: I think I might say just while I have the opportunity, that while the hon. member for Woodbine has made much fun of this housing programme, I think it is worthwhile noting that under this rent certificate scheme alone, in four months we are going to put in occupation a number of families almost equal to the number that Saskatchewan has put into occupation in 18 years.

I thought that since the hon. member for Woodbine has been so attentive to the inadequacies of our programme, he might be interested in knowing that in the province of Ontario we have one of these public housing units to about every 1,000 people in the province. In Saskatchewan they have one to 3,600. In fact, the total programme of Saskatchewan is 264 units, the total of all of Canada other than Ontario is 3,434, and Ontario's is 5,766.

Mr. MacDonald: Well, if the hon. Minister is proud of that—

Hon. Mr. Macaulay: Now, just a moment—the hon. member was the one who objected when he had the floor and asked me not to make my speech during his; was that right? The hon. member has not even the manners to get up, he just lies there and makes his speeches.

Basically speaking, I think you have to

look at these things in their relationship to one another. The hon. member has said that we have had in the budget \$5 million or \$6 million and we have voted \$5 million or \$6 million and have only spent \$2.5 million.

I want to say to the hon. member, so that he understands, this has been so recently because there have not been the programmes coming forth from the municipalities in relation to it. I want, however, to assure the hon. member of this, that we now have in hand a number of projects equal to, if not exceeding—but at least equal to in our anticipation—the number of dollars that we are asking this House to vote, and we have every reason to expect that we will live up dollar for dollar to the amount that we are asking the House to give us.

But I want to tell you something else, that the hon. member made much fun of us about the fact that we have had 20 years of Tory administration, and that we have made no dent in the housing problem. I can only say, as I have said, that we have made this dent, that we have one unit for every 1,000 people, whereas as opposed to Saskatchewan one unit for every 3,600; and furthermore, that in four months with this rental certificate scheme, we anticipate in this province we will put into occupation almost the same number of families that Saskatchewan took 18 years to put in.

The hon. member and his party talk about people being doctrinaire. It seems to me that there is time, and this is the time, to have a fresh look. Hon. members opposite have made a lot of fun, all of them, they have made a great deal of fun about these studies.

Now, I am not worried about the sympathetic understanding. I am close; my borders are contiguous—I will spell it, I will send the hon. member a note—my borders are contiguous to the hon. member's, and as far as I am concerned, I put this to him. The hon. member is talking in terms of housing in the most doctrinaire fashion. He has the concept that unless you spend millions of dollars you have accomplished nothing. One of the greatest things that can be done in terms of housing is to slow up the dilapidation of areas, to slow up the areas which will otherwise become very expensive redevelopment areas, to pick into the areas of buying or leasing houses which stop a general blight in an area.

Mr. MacDonald: Hear, hear.

Hon. Mr. Macaulay: The hon. member has no interest in it at all. Unless there are millions of dollars spent—now let me just

give a concrete example. We are putting in 200 people by rent certificates—this is a new idea and it has never been tried anywhere in the world—we are putting 200 people, 200 families in four months into occupation to try this out in a pilot plan. To do this same programme in low cost housing units would have cost \$3 million. The subsidy in terms of this rental will be about \$20 a month, and do you know, in the city of Toronto at the moment, the subsidy, even without spending the capital amount, is between \$38 and \$42? This is a new approach that the hon. members are making fun of simply because they are doctrinaire and do not understand these conditions.

Hon. Mr. Wardrope: Mr. Chairman, I listened to the hon. member for Woodbine (Mr. Bryden) talk a little while ago about the lack of housing in this province and how little this government had done about housing. I wonder if he has the latest copy of the *Review of Economic Trends in Ontario* for February and March of this year. Now, will he please open it, if he has it, at page 9, and read what is going on in Ontario as far as housing is concerned, in addition to what the hon. Minister has mentioned. I will read it for him if he has not got the economic survey on his desk. I quote:

New residential construction continued strongly into the new year with January starts 11.2 per cent higher than in January 1961. Completions 18 per cent higher, and units under construction by the end of the month, 22.2 per cent higher and close to half the national total.

How do hon. members like that? And they say this government has done nothing for housing.

If I were the hon. member for Woodbine I would go down and confine myself a little more often in the Don Jail. He will learn something about housing there and be able to tell us about it; he seems very interested in the Don institution.

I am amazed at all this talk decrying this new scheme that our able young hon. Minister, who is bringing new thoughts to this province—and this government—is trying to do, and I think it ill behooves hon. members to try and tear down the things that he is endeavouring to build up to make this province more prosperous.

In my area I think they would be amazed if they heard the hon. member say that he was withholding information. All the papers, radio and television have been full, over the past two or three weeks, of what his depart-

ment is endeavouring to do. We have one of the best known and finest economists in this province as the Deputy Minister of this department, in the person of Mr. Gathercole. I think even hon. members of the Opposition must admit that. They have a young hon. Minister who has got the drive and the energy and the—

An hon. member: Baloney!

Hon. Mr. Wardrope: I will say that the hon. member can get deficiency payments on his baloney if he wishes.

But he is a man that is trying to do something to promote the economy of the province. Now, up in my area this department has been most favourably accepted, by all parts of northwestern Ontario. We have a man who has been chosen there as head of the economic council for the area; who is one of our greatest industrialists, one of our most travelled men. Many hon. members know him, Mr. Clark. He has gathered around him, in that area, our best brains and our best industrialists, and they are—

Mr. J. Chapple (Fort William): Who are they?

Hon. Mr. Wardrope: The hon. member knows some of them. He knows Mr. Andrews, he knows Mr. Patterson; and all the rest of them up there. He should get in with them, the hon. member for Fort William (Mr. Chapple), and do something up there for his area to make it grow and prosper.

Now the hon. member decries the development fund for the north. The hon. Minister mentioned the development fund for the north. Our people are looking forward with great anticipation—

Mr. MacDonald: What estimate is this on?

An hon. member: What vote is this on?

Hon. Mr. Wardrope: Why does the hon. member have to fall back on noise and criticism—to try to stop us talking over here, and alerting the people of this province to the improvements we are trying to build up?

The development fund for the north has caused a great deal of interest—

Interjections by hon. members.

Mr. MacDonald: On a question of order, Mr. Chairman. A question of order, Mr. Chairman!

Mr. Chairman, we were discussing the estimate dealing with housing. Is it appropriate to go back to the northern development fund which has been considered and voted on repeatedly in earlier votes?

Hon. J. Yaremko (Provincial Secretary): A little bit of stifling from the other side.

Mr. MacDonald: We had it from the hon. members opposite all the time. Let us keep it in order. The hon. Minister has been trying all evening to keep on the right estimates.

Hon. Mr. Wardrobe: Hon. members opposite love to hang on any crutch they can get. They do not like to hear of improvements we are making. They cannot take it.

I was mentioning the enthusiasm that the economic council has sparked in housing and other things in the north, and I do think it ill behooves our Opposition to try and decry this department. Many things have already developed due to this economic council and the hon. member for Fort William (Mr. Chapple) will notice it very soon in that area. One of the most startling things to me, Mr. Chairman, is the fact that we may have diamond discoveries in this country.

Mr. Reaume: That is what the hon. Minister has been saying for years.

Hon. Mr. Wardrobe: I have never mentioned it before. No, this is a comparatively new thing, and I would give great credit to this Department of Economics for seeing that these things are being uncovered and made possible. This is an enterprising department with a group of dedicated, expert men who are going to do things for this province and any hon. members in the Opposition—

Interjections by hon. members.

Mr. Chairman: Order! Order!

An hon. member: I have heard of Diamond Jim Brady, now we have Diamond George Wardrobe.

Interjections by hon. members.

Hon. Mr. Wardrobe: The hon. member's glasses are fogging up over there. They do not want to see the sunshine.

Interjections by hon. members.

Hon. Mr. Wardrobe: Mr. Chairman, I am amazed at the courtesy from the Opposition

benches. I have sat here and tried to get on my feet hours at a time, and this is the courtesy shown—typical of the hon. members opposite—

An hon. member: They are rude.

Hon. Mr. Wardrobe: They are exceedingly rude. I have a better word for it—if I was not in this House.

But, Mr. Chairman, I just want to say this, that when the hon. Minister brought out the figures of Saskatchewan as against Ontario, and what has been done out there, it ill behooves the hon. member for Woodbine (Mr. Bryden) to get up and decry the efforts of the whole council.

Now I was checked on talking outside of one vote but hon. members over there get all around the whole field and try to get to the centre and never do. They are still in the outfield, missing flies. I just want to say, if they want to earn the observation of the voters in this province they will go along with these votes of the economic council because, in my opinion and that of others I have spoken to in this province, it is one of the greatest forward steps that has been brought about during the regime of any government of this province.

I think we will see great returns from it. I know in my area it is exceedingly popular. I will tell hon. members that many new natural resources are going to come to their attention before too long, due in great part to the efforts of the economic council, whose estimates we are voting on tonight. I would ask, Mr. Chairman, when people get up and talk a lot of foolishness on another vote we are not on, that you sharply rap—

Interjections by hon. members.

Mr. Bryden: Now that the hon. Minister of Mines (Mr. Wardrobe) has provided a suitable interlude of comic relief, maybe we can get back to the business at hand, which is a vote related to housing, vote 306 and 312.

The hon. Minister of Economics and Development (Mr. Macaulay), I have noticed, has always been obsessed with the province of Saskatchewan. I can understand this in view of the fact that the development of that province under a CCF administration has certainly been most remarkable; and I will say, Mr. Chairman, that I will be very happy to debate the record of the government of Saskatchewan with the hon.

Minister at any suitable time and place he may care to name. But I believe, sir, that in this House we should deal with the affairs of the province of Ontario; and that is what I was dealing with and that is what I always wish to deal with, notwithstanding all the red herrings and diversions that we get from the benches opposite.

I would suggest, further, Mr. Chairman, that to compare the province of Saskatchewan and the province of Ontario in a matter of housing is totally irrelevant. To compare the tremendous congestion we have in this province with what is still, notwithstanding considerable industrial diversification, a basically agricultural province, is completely irrelevant. If that is the best sort of defence the hon. Minister can put up, it is a very weak defence indeed.

The hon. Minister suggested in his impassioned reply to me—I regret that he is in such an irritable mood tonight, almost anything gets him mad—and he got very annoyed indeed because I ventured to criticize the lack of performance of the government and its present policy—that lack of performance in the past was due to the failure of municipalities to come forward with suitable plans. That, Mr. Chairman, is certainly far from the whole truth.

A year and a half ago, five projects that had been planned by the municipality of Metropolitan Toronto and had been approved for six months, were in a condition of suspended animation because of the flat refusal of this government to give the final okay to go ahead. I will take some credit for having helped to break that log jam and at least get those five projects going ahead. There were only five, and not very big projects, but the flat refusal of the government to act, even when there were legitimate and approved municipal programmes before them, was a major factor in the past in preventing or delaying the development of public housing in the province.

Another factor, and a major and continuing factor, is the doctrinaire attitude of the federal hon. Minister of Public Works (Mr. Walker), who is the member of Parliament for Rosedale constituency, who turns his face in a determined way against any kind of public housing and insists in the most doctrinaire fashion that housing must be turned over to private developers. That has been another major stumbling block to the development of public housing programmes in this province.

The hon. Minister has developed a passionate affection for his rent certificate plan.

I can perhaps understand his reactions on this point, because this really is the only concrete point in the whole 12-point programme. I suppose when one even dares to question that, one strikes a very sensitive spot. I would like to remind you, Mr. Chairman, that I raised certain questions about it. I said that I was prepared, however, to watch the results of the experiment to see what happened. It is quite possible, I do not deny the possibility, that it may make a useful contribution; but to suggest that this is a substitute for urban redevelopment and the construction of low-rental housing units and low-cost housing units, is sheer nonsense. It may have a small palliative effect, but certainly we still need important housing developments.

Apparently the hon. Minister considers that if one advocates the construction of housing units, one is doctrinaire. I do not consider that to be doctrinaire at all. It is the only full solution to the problem and I would point out, Mr. Chairman, that capital invested in housing units actually adds little, if anything, to the net debt of the province, because most of it is recovered over a period of time in the rentals that come back. Most of it is, it depends on the particular form of the scheme and on the degree to which it is subsidized. And even our limited experience in Canada with public housing indicates that there are many other attendant benefits which probably mean that there is no net cost at all.

Now the hon. Minister, without any justification whatsoever, jumped to the conclusion that I was not prepared to consider measures designed to slow down the process, reverse the process, towards urban blight. That is the most ridiculous proposition, the most ridiculous straw man, I have ever heard. The fact of the matter is that it is this government that has never been prepared to consider any measures along that line, and they are now in a situation where they have considered it so little that they have no programme to put forward. They are merely studying possibilities to see what they might do, that is according to the hon. Prime Minister's (Mr. Robarts') own statement.

For years I have suggested that policies should be adopted to eliminate or reduce urban blight. But even that is not a substitute for redevelopment; because in some areas the blight has proceeded too far. Redevelopment certainly has to be undertaken. I believe, Mr. Chairman, that the excited defence by the hon. Minister of the very little programme that has been put before us was, by virtue of

its very excitement, an indication of the hon. Minister's own realization of the inadequacy of his programme.

Mr. Lawrence: Mr. Chairman, I wonder if the hon. member would permit a question before he sits down? I believe it is one thing to attack an hon. member in this House who can stand up and defend himself, but to attack an hon. Minister of the federal government sitting at Ottawa is a completely different thing. I wonder if the well-tailored and vivacious hon. member for Woodbine (Mr. Bryden) would mind informing the House just exactly when, where, how and under what conditions the federal hon. Minister of Public Works, the federal hon. member for Rosedale, Mr. Walker, deprecated and completely threw over any idea or theory of public housing in Canada.

Mr. Bryden: I did not say he completely threw it over, but if the hon. member for St. George (Mr. Lawrence) is not familiar with the statements that the federal hon. Minister has made on the subject, I must say that I do not think it is worth taking the time of the House to enlighten him. As far as attacks are concerned: I think my attack on the hon. Minister was a fair attack, but if it was not a fair attack, I am quite content to apologize.

I would suggest, however, Mr. Chairman, that the complaint about it comes very strangely from an hon. member who sits in this House and went out of the House to deliver on myself a totally unfounded and unwarranted attack based on nothing but lies. I think that his suggestion that my criticism of the federal hon. Minister is inappropriate comes very poorly from him.

Mr. J. Trotter (Parkdale): Mr. Chairman, I listened with interest when the hon. Minister told us that they were now going to provide for 200 families, that they had the units. That suddenly, after 20 years, they could find room for 200 families. When hon. members consider that the two housing authorities here in the city have a waiting-list of 12,000 families, they can see that the government has been sitting around doing nothing for an awful long time.

Hon. Mr. Macaulay: That statement is an intentional misrepresentation—

Mr. Trotter: I am taking this from the Social Planning Council of the city of Toronto. This is what the official—

Hon. Mr. Macaulay: There are 3,000 on the waiting list.

Mr. Trotter: The Social Planning Council of the city of Toronto tells me this, and I have it in front of me, that there is a list of 12,000 families waiting here in the city of Toronto.

Hon. Mr. Macaulay: Well, this does not affect the truth.

Mr. Trotter: The Social Planning Council continues, and incidentally I think a good Tory is the top man of the Social Planning Council here in the city of Toronto. Experts here, again from the Social Planning Council, estimate that 30,000 to 40,000 units of public housing are needed in Metropolitan Toronto.

Hon. Mr. Macaulay: Well, that is just nonsense.

Mr. Trotter: Well, the hon. Minister might think it is nonsense, but it is time that he got up to date. He was talking in terms of 200, after 20 years, and these people who spend their lives in this type of work tell us differently. I would like to put forward some of the facts that have been garnered by people who have been spending their lives in this type of work.

I represent a Toronto area, and I would like the hon. Minister to hear what Toronto people have to say. The Metropolitan Toronto Interim Housing Committee recommended a construction programme of a thousand units per year for a period of five years beginning in 1958. Since that time, less than 100 units of housing have been added in Metropolitan Toronto; but in 1961 steps were taken to add over 800 units by the end of 1962. It can be seen that they are plodding bit by bit, and for the hon. Minister to get up and talk about 200 units a year in this city, when we need literally between 30,000 to 40,000 his programme is obviously away out of date.

The city of Toronto had attempted to put in a programme to renovate and to augment the supply of low-rental housing for public control. In order to do that, Mr. Chairman, they had to come to this Legislature before the private bills committee, to get the legislation. So they came to the Legislature, and their recommendation was to acquire suitable older properties for renovation in order to augment the supply of low-rental housing, something in the line of this legislation that the province says that they are now going to bring in. I hope the government does it; and I hope they are going to make an effort in this regard; but certainly, after this length of time, they are long overdue to do something.

This is what happened when the city of

Toronto suggested to this Legislature that they be given such power. The city of Toronto prepared a draft bill. It was brought to the Ontario Legislature in February of 1961, and a delegation representing the committee on housing—and, incidentally, the Riverdale East Toronto Housing Group, I believe, comes from the hon. Minister's own riding, and they certainly took an interest in this—came before the Legislature, as well as the Central Toronto Housing Group. They appeared at a private bills committee in the Legislature in support of the city's application. But even this government, at that time, was not too impressed with what the city wanted to do. This was just in February of 1961, and the bill submitted by the city of Toronto asked for wide powers for the local corporation. The city proposal was amended; the Legislature did not want to give the city too much power in regard to rental housing, so the city proposal was amended to limit the use of this housing for families or persons who may be in need of public assistance.

The city of Toronto has not had the funds in the past year to appropriate in their budget for more rental housing. Certainly they need help from the province. I bring this to mind, Mr. Chairman, because as of February, 1961, the city of Toronto was getting very little encouragement from this government to acquire suitable older properties to be used for rental housing.

I just wanted to make a few remarks regarding the use of rental housing and the limited dividend corporation. All these things can be helpful, but neither one of them in itself will help solve the housing situation. Certainly we in the city of Toronto have seen a tremendous growth in apartments and in rental buildings. Most of the buildings that have gone up, of course, have been for the middle income groups. They are apartments that rent from \$110 to \$130 per month, and we can see that this is not going to help those people who are in most need of housing, certainly in the low income group.

Again I repeat that the Social Planning Council advises a group of between 30,000 to 40,000 families that need help. The limited dividend company which is assisted—I believe it is under section 16 of The National Housing Act, where the federal government will provide the long-term interest mortgage funds—does help in some respects, but it still requires a large capital outlay for limited dividend construction. The capital is provided by private enterprise. Here in Toronto, over 77,000 units of limited dividend housing have been built and, as I said, mainly by private enterprise; certainly nothing to do with this

government. The opportunity has been lying there waiting for this government to do something over a very long period of time.

I think, Mr. Chairman, that some limitations and problems are presented by limited dividend housing. It does some good, and probably the provincial government intends to use this system, but there are three problems that it does not solve. The limited dividend housing can provide dwelling units for only a limited group of people. They are the people who, at best, are the highest of the low income groups so that it is, again, not reaching the people that most need it. Limited dividend housing cannot meet the needs of the larger families with low incomes; what we certainly need here, in this city, is the type of dwelling unit where the large families can find housing. The present set-up they have for limited dividend housing does not help the large families.

I make this one suggestion: if the provincial government does intend to use the limited dividend corporation let it make a change in housing construction. Try to make arrangements with the federal government, so that provision can be made for families that have a large number of children. Certainly under the present legislation these people are not helped under the limited dividend scheme. The third weakness of limited dividend housing is that high land costs require that most of this type of project be built in the outer suburbs where there are high densities of population; land here in Toronto is so expensive that they try to get as high buildings as possible. That is, I think, one of the weaknesses in the Regent Park system. In some cases the buildings are too high, there are too many families compressed in a small area. This is the result of the high cost of land.

So, with these three weaknesses in the limited dividend project, I suggest that it is public housing, subsidized rental housing, that is going to be needed for that area of people; and I again point out there is such a pressing need here in this area.

Finally, Mr. Chairman, the one thing that has not been suggested, that I think could be considered, is a comparison could be made with Central Mortgage and Housing Corporation. This federal corporation provides the greater percentage on a first mortgage of the funds necessary for a new home. In an area like the hon. Minister's area of Riverdale, or my area of Parkdale, there are many older homes. People have a difficult time trying to finance these homes. They can obtain a first mortgage, but so often a second mortgage is needed. And the great weakness

with the second mortgages is that people find themselves in the hands of loan sharks.

They can take out a second mortgage, keep up the payments faithfully for five years and then, at the end of the five years, in order to renew it, they must pay a bonus of about 20 per cent of what is owing. They never get out of debt. What this provincial government could provide are funds where second mortgages could be made available on older homes at low interest rates, at around 6 per cent. Certainly this would be a great help in making it possible for people to buy and own their own homes without getting into the hands of loan sharks.

So I would ask the provincial government to consider the use of provincial funds to help those people to purchase good housing—such as with telephones, in Riverdale and Parkdale—by the use of second mortgages.

Hon. Mr. Macaulay: Mr. Chairman, I would just like to say, in relation to the statements that the hon. member has made, that he inferred that the 200 homes that will be provided through the rent certificate scheme was the total amount which would be made available through the housing branch this year. I am sure he did not intend that. So that the record shall be accurate, I thought he would like to know that we expect there will be 38 at Lawrence Heights, 155 at Scarlett Woods, 400 on Warden Avenue, 350 at O'Connor Drive, 1100 at Thistletown. The rent certificate scheme will produce about 200; we are providing by vote 306, item 8, \$500,000, which is a quarter of the total appropriation and which may well run into 500 homes; 900 are being planned at Moss Park. The possibility is that this year, through the housing branch, we will have created more housing opportunities than the whole of Canada has in 20 years, outside of the province of Ontario.

Mr. MacDonald: Mr. Chairman, the point that I wanted to raise has become rather sadly detached now because it has reference to one remark that the hon. Minister made in his efforts about ten minutes ago, or was it a half hour ago? In the course of it, he said that he was seeking the application of new ideas, new experiments. For this I commend him. I am not going to debate with him the argument that what we want to do is follow a doctrinaire approach; this is a little political sally that I think is worthy of being ignored.

Hon. Mr. Macaulay: The hon. member has already given it more attention—

Mr. MacDonald: However, in the course of his references to the need for renovating and rehabilitating individual units to halt the spread of urban blight in certain areas, he suggested this is something which we are opposed to. I happen to have been fighting for this for quite some time. But when he made this comment, I noticed that, in his eager-beaver fashion, the hon. member for St. George (Mr. Lawrence) pounded the desk and approved. Well, Mr. Chairman, my mind went back just 12 months when there came before the committee on private bills spokesmen for the Toronto housing authorities who were seeking to get permission to do precisely this—to be able to rehabilitate scattered units throughout the city of Toronto and bring them under the housing authority so that they could put people who needed low-rental housing in these scattered units instead of concentrating them in the fashion of Regent Park. And what happened, Mr. Chairman—

Mr. Lawrence: This is going to go through Metro.

Mr. MacDonald: What happened, Mr. Chairman, was that the hon. member for St. George (Mr. Lawrence) fought the proposal. He opposed it and said it must be restricted only to people who were on welfare, which was a completely unworkable proposition.

Mr. Lawrence: That not only is untrue, the hon. member knows it is untrue.

Mr. Trotter: February, 1961.

Mr. MacDonald: Exactly. And just let me complete the picture. This woman, whose name escapes me now, who was either the head or one of the key people in the housing authority, pleaded for an enlightened and progressive approach to this. But the hon. member for St. George was such a successful hatchet man that day that the proposal was killed by the rest of the Conservatives in the committee. I will give the government credit because, apparently, sufficient pressure was put on them that what the hon. member for St. George succeeded in killing, the government brought in through general legislation before the end of the session.

Mr. Lawrence: How many hatchet men have we got over here?

Mr. MacDonald: Well, when the hon. member for St. George is around they do not need many more because he does a pretty effective job. I just wanted to remind the

House of this effort—a new idea being killed by one of the bright young men of the Tory party.

Mr. Thompson: Mr. Chairman, I appreciate that the hon. Minister is open for ideas. I presented an idea last year that I thought might be helpful in some of the downtown areas, particularly of Toronto. I was thinking also of my own riding. At that time, I do not think the previous Minister was as fertile soil for ideas, because he neither answered it nor paid any attention to what I was saying. So, in the hopes that I might have more fertile soil, I would like to read this from *Hansard*—it is a very short statement—and I am referring to the progress at Sacramento, California, where they have a scattered-type housing project.

I do not know if the hon. Minister had an opportunity to study that project, but I would say I think they have gone into some of this rental approach that he is doing, and I congratulate him on doing that. But, in connection with this scattered housing approach in the United States, they have about 10,000 of these projects. In other words, they take dilapidated houses in various downtown areas, take them over as a public housing unit. I will not bother reading this from *Hansard*, I will just summarize it.

In Sacramento they have found this really pays off because by developing the public housing units, building up old houses on a rundown street, they raise the value of the real estate on the whole street and the housing authority found there that the cost to the housing authority had been \$1,200; and yet two years afterwards the value was \$1,700. I think that one of the reasons for the great delay in the building of housing units in Toronto has been that we have always thought of enormous blocks. I frankly see some disadvantages in some of these large blocks.

Much as I can see the value of Regent Park, I often feel that the inhabitants there, grouped together because of economic circumstances, must feel like goldfish. I would suggest that having scattered units—buying, in other words, individual houses in run-down areas, and using these—might be a way, not only to hold back the deterioration of streets in Toronto, but also in fact, Mr. Chairman, to build them up.

Hon. Mr. Macaulay: I thank the hon. member. Would he tell me—I usually read, in the summer, the *Hansard* of the winter before. Would the hon. member give me the pages to which he is referring?

Mr. Thompson: I am delighted that the hon. Minister is asking for this: It is page 1731 of the *Hansard* for 1960-1961.

Hon. Mr. Macaulay: Thank you.

Mr. M. Belanger (Windsor-Sandwich): Mr. Chairman, I was quite interested in what the previous speaker was saying, because we have taken advantage of the programme in the past offered by the federal government and provincial government—that is, the federal government paying 75 per cent, and the provincial government 17.5 per cent and the municipality 7.5 per cent on this housing programme of redevelopment. We are considering, at the present time, doing something exactly along the lines mentioned by the hon. member for Dovercourt (Mr. Thompson)—that is, taking a certain section of the city and having the people do some rehabilitation, or renovation to their homes, and I am just wondering, under this plan, that the province is inaugurating, whether some loans could be available.

Hon. Mr. Macaulay: There is a section in the estimates which relates to the lending of money, or the guaranteeing of loans. We will consider this, if the federal government will go along with us. We have proposed it to them and hon. members will see in legislation which I will introduce in the House that we are going to ask for permission of the House to enter into this kind of programme. We are now negotiating this with the federal government and I am hopeful that we can come up with something along the lines that the hon. member has outlined.

Mr. Belanger: Thanks very much.

Mr. Wintermeyer: Mr. Chairman, may I pursue this one step? This opportunity to lend money, or extend credit, will be for what type of housing? Will it be for subsidized housing, old homes, or could it be in conjunction with—

Hon. Mr. Macaulay: It could be for any of these things.

Mr. Wintermeyer: Any whatsoever?

Hon. Mr. Macaulay: Yes.

Mr. Wintermeyer: Does the government propose to lend money on old homes? As the hon. member for Parkdale (Mr. Trotter) so effectively pointed out, there is a real need—

Hon. Mr. Macaulay: As a matter of fact, there is a great problem of which the hon.

members should be aware. I want honestly to say to the hon. leader of the Opposition (Mr. Wintermeyer) that he has an interest in accomplishing the same fundamental goals that I have in mind for this programme. But sometimes what one might think at first, with some enthusiasm is a very good idea, sometimes can work out to be not as advantageous as one might feel.

When the second mortgage programme began in 1948 or 1949, this was at first working to the distinct advantage of the buyer. It was not many months until it was obvious that it was working to the advantage of the manufacturer, the maker, the contractor. Knowing that the purchaser had this much more money and that there could be a mortgage made available, he was simply adding it on to the price. What happened in the long run was that we had to take over, sort of control, prices or rents. But what did happen was that CMHC came into the programme and they said in effect to us: if you get out of the second mortgage business we will advance an equal amount more on our first mortgage, but only if the contractor will agree to the end price at which he will sell the house. Hon. members can see, what they were trying to do was to make sure that the money they were advancing was going to the benefit of the purchaser and not to the contractor. That is one of the problems of putting mortgages—and I would ask the hon. members to consider this.

I say this with great sincerity, I have had, I think, the best people in the province of Ontario come here to help me, to advise me, with reference to this housing programme. This is one of the reasons I would like to establish a permanent housing advisory committee, because I think in all our interests it is a good thing in the long run. These people—and they come from all walks of life, people whom the hon. member for Parkdale (Mr. Trotter) and others know well—they say, in all sincerity, what we are concerned about is that if the government or anybody gets into a second mortgage or any kind of mortgage business on old houses, where there is a limited number, sooner or later it will be just like the second mortgage proposition we got into, in that there is not an endless number. Sooner or later, it is going to increase the demand for these houses, and ultimately, it is not going to help the purchaser.

Now, how many months that will take is difficult to say. But most people who in this province have devoted a lifetime to housing, their estimation is that if we were to get into

this second mortgage business on old homes, that all we would end up doing would be to increase the sale price of old homes. The first few that might be sold, or for the first month or two, might be to the advantage of the purchaser. But in the long run, it would be simply a means of increasing the sale price, simply because it is not an expandable commodity. With new houses, it is a different thing, you can keep on building them. Old houses, there is a fixed number.

Right now there is a certain number of old houses and that is all there is going to be. Now this is their estimation, and I would want to say to the hon. member that we have looked at every idea in relation to housing, everything. We have had everybody in this city, from across this province, because I have a very sincere desire to do all that can possibly be done for these people. We have gone into most every conceivable proposal.

I have presented, through the hon. Prime Minister (Mr. Robarts), a 12-point programme. I am hoping that during this year we can develop some of these. I have an idea, and I want to say this in all fairness, I have an idea that this rent certificate programme may be an entirely new approach towards housing. It may do away with a great deal of the very heavy capital investment and may, at the same time, help to an extent the housing industry, the persons who own homes, the people who are in areas where they do not want the area to break down into a sort of renewal area, or a redevelopment area, and so on.

I would say honestly to hon. members, though some fun has been had of me today about studying things, I honestly say that we have looked at this and we are going to continue to do so. If there is any way in which we can implement the ideas which the hon. members have put forward today, I assure them that we will do so, and I will not be chary in giving recognition where it belongs.

Mr. R. C. Edwards: Mr. Chairman, I would like to say to the hon. Minister, having had some little experience with this subject that he speaks of, that I am somewhat in disagreement with him that this would create the effect that he suggests it would create.

I think the situation today is entirely different from the situation in 1948. I would also suggest to him that such has not been the case in the United States of America, where they have had a system of guaranteeing loans for used homes for a number of years. This has not been the effect in the United States

and I am aware of some organizations with some considerable experience in this matter of financing of homes which feel that granting mortgages on used homes would work to the distinct advantage of the purchaser. Particularly in the case of used homes, where the price is lower than that of the new homes. It means that a person with limited means is in a position to buy a home that they can finance and be able to pay for it within their lifetime. The situation as it exists now is such that the only place that one can get a maximum loan is in the purchase of a new home. In many cases this is forcing people to buy a home which is beyond their means; and yet this is the only way they can obtain maximum financing.

I would like to suggest to the hon. Minister that had such a scheme been in effect for a few years prior to the present time, there probably would not have been the need for the mortgage legislation which was brought forward during the past year. I think this mortgage legislation was necessary simply because there was not adequate means of financing the older homes and as a result these people went to the high price money market to obtain the secondary money that they needed to buy a home within their means to acquire.

I think the hon. Minister should take another look at it. I do not know who his experts have been, but I do know many organizations composed of responsible people, who are knowledgeable in this field, who take the other side of the issue.

Hon. Mr. Macaulay: I would say to the hon. member I am happy to have his observations and if he would be kind enough in the morning to let me have a list of these people I would be very interested in getting in touch with them.

Mr. Trotter: Mr. Chairman, I want to ask the hon. Minister if they have given some thought to a way to stop houses becoming overpriced as a result of using second mortgages on older homes. For example, Central Mortgage and Housing sets the price of a house; it cannot be over a certain amount—

Hon. Mr. Macaulay: That is a new house.

Mr. Trotter: All right. I know that is a new house. Of course, that is the weakness with the Central Mortgage plan. With an older home there can certainly be income limitations before second mortgages are allowed; there can be limitations on the

value or the price of the house. This is what Central Mortgage does with the newer homes. That is why I cannot agree with the hon. Minister's excuse why they do not use second mortgages for older homes.

Hon. Mr. Macaulay: Well, I said to the hon. member that I will look forward to receiving in the morning the list of people to whom the hon. member for Wentworth made reference; this matter is under study. This is the advice that I have had from people whose credentials, to me, seem rather important in this field; who have devoted their lives as public-spirited citizens. It may very well be that there is other evidence, and I would be happy to hear it.

Mr. Lawrence: Mr. Chairman, I think there is one other field this government could get into, in the way of housing mortgages, and that is a provincially-incorporated organization along the lines of the federal organization, namely, Central Mortgage and Housing Corporation. I do not know if the constitutionality of the Central Mortgage and Housing Corporation has ever been tested in the courts—and I have my doubts if there is any authority under our constitution for such a body—but, nevertheless, I think all will agree that that organization is doing a good job. Here in Ontario I think we have special problems that are not in existence in the rest of the country.

As one, like the hon. member for Parkdale (Mr. Trotter), whose business involves mortgages and dealing with mortgages, every day of the week, I am sure he has noticed, and I know I have noticed, advertisements in periodicals, in Great Britain for instance, where there have been private organizations willing to loan, by way of first mortgages, up to 95 per cent of the market value of the property. In the United States, I have seen similar periodicals containing advertisements which have been on behalf of private organizations like insurance companies and trust companies, which have been willing to loan, by way of a first mortgage, up to 75 and 80 per cent of the market value of the property.

It may be that in this country we have not quite reached that stage; perhaps because of raw land available on the outskirts of the metropolitan areas in this country, we have not quite reached this stage. But I am wondering if the hon. Minister's department, and the officials therein, have yet looked into the possibility of incorporating an organization which would greatly increase the value or amount loaned on mortgages in relation

to the value of a residential property. In other words, set up an Ontario mortgage corporation. I am not talking about the old Housing Corporation which dealt only with second mortgages; I am talking about a provincially-backed organization or incorporated company which would go in and provide mortgages up to 85 or 90 per cent of the market value of the property. In other words, start stealing some of Central Mortgage and Housing Corporation's thunder, but steal it on the provincial level and allow far more by way of a first mortgage on these properties, because I think this is needed in our crowded metropolitan urban areas in Ontario; and perhaps this is a need that is not felt across the rest of the country.

I think this is a provincial need, I think this is a provincial field, and while I feel a great many services now provided by the Ontario government should perhaps be taken over by the federal government, I think this is one endeavour and one field, where I am glad to encourage the hon. Minister in the pioneering work he is doing, and encourage him to go even further. Perhaps this further field should be an incorporated body whereby a government-backed organization would loan far more, as far as the percentage value of the market value of premises is concerned, than any similar private or public organization will now do.

Mr. G. Bukator (Niagara Falls): I am in the position of representing a company which has some 528 lots in one subdivision. I think there is an area that has not been explored; it might have been explored but has not been acted on yet, and several have touched on this particular problem. It appears to me that if NHA will provide 95 per cent of the cost of a new home, most of the people who go through the houses that I show in our area along the Niagara River will buy the new homes if they can sell their old homes. I do believe there is an area in which the government can work, where they can provide at least 85 or 90 per cent on the old home of an old established family who may sell that home for, let us say, \$9,000 or \$10,000.

If they can get their money out of that house—so many of the people say: "If I can sell my home, I'll immediately buy a new one." I think this area can be explored and well developed. I feel that many of the people who have old houses would like to move into new ones but they just have too much tied up in the old house and cannot get their money out. I believe if the government was to pick up this particular problem; enable the people to sell their homes and get all their money

out, I could immediately, tomorrow, sell five or six new houses; and if I can, I will not be here to bother the hon. Minister for the next week.

Now, I built myself a home some three or four years ago before I was elected to this House—

Hon. Mr. Macaulay: Is that a threat or a promise?

Mr. Bukator: I would threaten the hon. Minister with that if it would work. But I built myself a home three or four years ago, before I was elected to the Legislature, for some \$18,000 or better, and I never realized that I had this government to thank for building me that home. Every year the government has displayed statistics here, where the province have had so many starts and have completed so many homes and I thought: using my grey matter and ingenuity, after all these years I had finally built myself a house. I did not know that I would have to come and thank this government.

Since I am on my feet here, I speak on behalf of all of those people who were in the same spot that I was, and say: thank you very much. But the government is going to be thanked again from this side of the House because we are a reasonable lot, believe it or not. We are going to thank it when it brings about the finances to help the man with the established home, the cheaper one, to build a home not only in my subdivision but throughout the whole province. This is an area that should be explored, and immediately that is done I will not show up for a whole week.

Mr. Troy: Mr. Chairman, through you to the hon. Minister, that latest agreement between the federal government and the provincial government in regard to housing, does that refer only to housing in the cities of Toronto and Hamilton, as I judged from the papers, or is that fund available to housing authorities throughout the province?

Hon. Mr. Macaulay: May I ask the hon. member—I really did not understand his question. He said some recent announcement by the federal government?

Mr. Troy: No, the announcement about the agreement in the capital disbursements here. Did not the province and the federal government make an agreement recently for provincial housing—a partnership agreement?

Hon. Mr. Macaulay: Well, no. Perhaps the hon. member is thinking of an occasion

upon which Mr. Gathercole, Mr. Scott and I went to see the hon. federal Minister. At that time, we discussed with him and with the CMHC people our 12-point housing programme. A number of these housing programmes are under study and Mr. Scott, who has been back several times since then, has advised me that a number of these will have been accepted and be in operation by the first of April. We announced at that time a certain study that was to take place. We also said that we were hoping to establish with the federal government's concurrence, a housing authority, a company which would administer the new housing undertakings here in Metropolitan Toronto, but I—

Mr. Troy: Was there any mention of Hamilton?

Hon. Mr. Macaulay: No, there was no mention of Hamilton; not that there will not be, but there was no mention of Hamilton.

Mr. Troy: Hamilton was mentioned in the press.

Hon. Mr. Macaulay: Not yet, sir.

Mr. Wintermeyer: Mr. Chairman, I would like to pursue the comments of the hon. member for St. George (Mr. Lawrence) for just a moment, and ask the hon. Minister whether he had given any thought to the suggestions that were made by the hon. member for St. George. Now those same suggestions have been made by various hon. members of this House; I believe that the hon. Minister has himself, on occasions, referred to the possibility and, I am sure, in the last few months, given added thought to the advisability of either using the facility of a savings bond, which I think were suggested at one time, or even the provincial savings accounts; or, as the hon. member suggests, a new institution.

I must say that I find myself very much in agreement with the hon. member for St. George. It does seem to me that all one has to do is to realize that there are funds, people's deposits, that are available, providing the government is prepared to underwrite those deposits and assure their return at a specific time in the future. It could be directed for housing purposes.

In England they have done this through co-operatives; in the United States, through federal institutions. I personally believe that here in Ontario there is an ideal opportunity to tap this market and use it effectively and directly for first mortgages. I think that many of the shortcomings to which the hon. Minister has referred are particularly with refer-

ence to older homes; in conjunction with the newer homes and the more expensive homes, if you will, there is no real problem. The federal government is doing a job in that field and there is no great hardship.

The hardship certainly exists in respect to those people who cannot afford to buy a home under present circumstances, or persons who are prepared to buy an older home and just do not have anything like the full purchase price. In this area, which again is the great area of assistance, I think that we could use a new type of financial institution. I am not settled in my own mind that it should take the form of a savings bond, or a new incorporation, or the facility of the Provincial Savings Bank, but I would appreciate some further elaboration from the hon. Minister.

Hon. Mr. Macaulay: I was just looking to see what vote this was under. We would be prepared to consider something. First of all, I would say that the suggestions are worthwhile. We came forward this year with a 12-point programme and this was as much—as far ahead really, with great respect—as any other province's department is able to digest, and I felt that this was all I would ask the Legislature in this session to authorize us to do; but we are asking for an amendment to The Housing Development Act to permit us to loan money or guarantee money loaned to persons like corporations authorized to loan money, if the money so loaned is to be used to acquire and rehabilitate existing housing units. This is a piece of legislation which will come before the Legislature. I think it is a matter of the Legislative Council having it prepared.

The guarantee does not require an item in the estimates; what we are doing under this programme is really new. It is like the rent certificate scheme, it is well in advance of anything that we have been able to find has been done elsewhere. I am hoping that if I introduce this legislation here, and if the federal government is prepared to go along with us, that we will, for the year, use our guarantee if that is available; and next year we will discuss this question of money in the estimates specifically, but may I assure the two hon. members that I am grateful to both of them for bringing it up. This is a very big field and it is really, without meaning to sound facetious—when I started out on this housing programme, I had 25 points in it. **This group of people** that I called together from around the province talked me out of some of my points. I was sad to see some of the points go; I would like to try some of

them again. When I have a little more confidence in this field I would like to restudy them.

Vote 306 and vote 312 agreed to.

On vote 307:

Mr. J. P. Spence (Kent East): Mr. Chairman, I would like to ask the hon. Minister a question. In regard to United States Offices—

Hon. Mr. Macaulay: Excuse me, just a moment. I am sorry; is 312 carried with 306?

Mr. Wintermeyer: On a point of order. Where is the Ontario Northland Railway coming up? Is that under 312?

Hon. Mr. Macaulay: No. Yesterday, I suggested that perhaps it might be useful to the House if we took 312 as capital disbursements; if we discussed the ONR after we had cleared vote 311 and just before we moved that the committee rise and report progress. Could we all write that down?

Mr. Spence: Mr. Chairman, I would like to ask the hon. Minister a question in regard to Item 5, United States Offices. I see where he is allotting \$85,000 for expenses this year. Did Ontario have an office open in the United States this year?

Hon. Mr. Macaulay: We have had two offices open in the United States for some time, one in Chicago and one in New York.

Mr. Spence: How many industries were channelled through these offices last year, and established in the province of Ontario? And I would like to ask the hon. Minister another question. Have any publications come out of his office in regard to the work of these offices in the United States?

Hon. Mr. Macaulay: We will be delivering tonight, and also tomorrow, a number of publications that we produced. The most important one is in relation to fabrication gaps. These two American offices have two fundamental responsibilities. One is to assist our manufacturers in Ontario to sell their goods in the United States; and the second is to bring those manufacturers who are in the United States, or elsewhere—but we are talking about those two offices at the moment—and bring those manufacturers who are in the United States, who could well supply some of the market which we

are not importing into Ontario here. I was asked about this particular point. In 1961, the industrial development division was in contact with over 1,500 companies regarding location in Ontario. Eight hundred of them were in the United States.

During the year, 113 manufacturing companies, employing over 10 on their staff or occupying a plant of over 5,000 square feet, established in Ontario as opposed to 113 in 1960. From the United States there were 55. We entered into a number of manufacturing agreements between manufacturers in the United States and those in Ontario, who were prepared to undertake manufacture on behalf of this particular product. We serviced over 700 Ontario manufacturers in this relation, that is to say, we talked to manufacturers, and interviewed them here, who were able to manufacture some kind of a product which we were importing from the United States. Approximately 200 companies sought to have their products made by an Ontario company, 119 of which were from the United States; and, as we say, we have serviced these and been in touch with them.

Our manufacturing arrangements bulletin—I am sorry, the pages have left and it is not possible to distribute them, but we will make sure that it is on your desks. We have a bulletin which goes to hundreds of companies in Ontario which says: we are importing these kind of goods, there is an opportunity here, are you interested in doing business here?

I would want honestly to say to the hon. member, that if I were to say to him that this specific box of soap came through the efforts of that specific man in Chicago or that specific man in New York, I could not say this. All I can say is that we have a great number of companies in Ontario, hundreds and hundreds of whom we interview each year. We have, and there are, a great number of American companies and we try to marry up these people and put them in touch with one another. In many cases it has produced new companies here, it has produced new exports there and this is about all I can say.

Mr. Spence: Does the hon. Minister anticipate in future to try to sell agricultural products in the United States under this new set-up that he has announced?

Hon. Mr. Macaulay: I think I would want to make perfectly clear my position in relation to agricultural products, or for that matter any other products. I see it as my responsibility to try, in this province here and in

our foreign markets and markets available to us, to make as many opportunities available as possible either to bring new industry here or to sell products. Now this may also mean that I work with the hon. Minister of Travel and Publicity (Mr. Cathcart) in relation to his tourist programme; or the hon. Minister of Agriculture (Mr. Stewart) in relation to his agricultural products.

I am asking the House in these estimates for permission for more money in relation to our offices in Chicago and New York. Whomever we send to Chicago and New York, we are going to try and carefully screen them to make sure that they have some commodity experience in both agricultural products and industrial products. In relation to agricultural products, I will really be at the assistance of the hon. Minister of Agriculture who will give me his instructions as to what it is that he wants carried out.

I feel that we have a service department. The hon. Minister in relation to the tourist industry tells me certain things that he would like done in connection with my department and we do the best we can to fulfill these. The hon. Minister of Agriculture and I have been discussing whether there should be additional representation at Ontario House or on the Continent with reference to agricultural products. This is a difficult thing to decide, because until a few weeks ago the European economy itself had not decided what its whole policy for the Inner Six was to be in relation to agriculture. But now that it looks to be settling down, the hon. Minister of Agriculture and I are working out between our staffs as to what we should do in this connection.

Mr. Spence: Mr. Chairman, I would like to ask another question of the hon. Minister. As he knows, towns and villages across this province certainly need an industry or two located in them. What consideration is the hon. Minister going to give under this new economic council—

Hon. Mr. Macaulay: What vote is this under; the regional developments? This is under this present vote of 307, item 4, grants to regional development associations, \$105,000. What we try to do in this particular case is this: there are a number of regional development associations; they have their own staffs, they have their own general manager and his duty and their duty is to try, within their own field, to attract industries into their areas. Each municipality within the area makes a contribution towards the central treasury and we make a grant of

either a matching amount or some other amount to these people. With this financial support then, they try to carry out their obligations in attracting industry into their area.

The Department of Economics and Development has a central responsibility of attracting industry into the province of Ontario. We have a special branch which is responsible for keeping all statistics of all of the municipalities. When some companies come into Ontario they say: first of all, we have these requisites, whatever they may be. We go over them and we give them the whole list of the number of municipalities that fit their requirements. Now, surprisingly enough, they do not all fit. Some of them insist on being in a big labour market, some of them insist on being out in the country, and so on.

But let me say this: our basic purpose is to be helpful. I think we have an attractive policy this year; I do not say for a moment that it is perfection. I think it can be improved greatly and I think it would have been better if we had even longer for organization of the department. But now that we have these things reorganized, our purpose is to bring as much industry here as we can, to sell as many commodities overseas as we can. Regardless of the jibing, in good nature, my hon. friends opposite have given me today, we are confident that in working with these development associations and the economic council we are going to be able to diversify industry in this province.

This is about all I can say to the hon. member. We do everything we can to make people in the United States and Europe and England aware of the opportunities here. We have a number of our staff who go and visit these people and we do just about everything we can to induce them to come here.

Mr. Spence: There is a great problem here with the towns and villages which need one small industry. I think great effort should be put forth by this new economic council to have them placed in these areas.

Hon. Mr. Macaulay: That is right.

Mr. Belanger: Mr. Chairman, I am very interested in this vote. We all know that the larger municipalities all have an industrial commission and that there is quite a race among the municipalities of the province to attract new industries in their own municipalities. However, I am wondering what assistance this department is lending to these industrial commissions.

I can put it both ways: whether they are working with or working against these industrial commissions in certain municipalities, when a certain municipality is trying to attract a certain industry to locate in their area. I recall in the past having been a member of a commission that had worked for a period of over three years trying to attract a certain industry to our locality; and then when we were almost on the verge of having this industry locate in our municipality some way or other the information did get out and the industry did not locate there, they went elsewhere.

I am wondering, because I do know that some municipalities, in order to attract the industries, subsidize anything they can possibly think of. To me, that is not something that should be done. I think there should be a law set up by the province saying that this is not a thing that one can do. After all, if we are going to work that way we certainly are going to have quite a chaos in the province. I want to know: actually what help does this department lend to these commissions?

Hon. Mr. Macaulay: There are two answers that I would offer to the hon. member. First of all, under vote No. 4, are the grants to regional development associations so these regions, which are unable to afford their own men to promote their interests, are able as a region to attract other industries and to compete—

Mr. Belanger: That is not the one in which I am interested.

Hon. Mr. Macaulay: Nevertheless, that is the first point. Then, second, we maintain a municipal industrial development service which assists municipalities to organize industrial commissions and hold industrial development seminars at the municipal level. Our purpose is to teach municipalities, to the extent that we can, how to attract industry and keep industry already established and to foster decentralization, to keep records on industrial land and buildings available for rent or purchase, to maintain up-to-date information on services and the municipalities generally in the province.

These statistics are available in our municipal industrial development service. If the hon. member is suggesting that there should be a law to stop one municipality from attracting an industry away from another, I do not really think that in a free enterprise country there is anything we can do about that. If an industry wanted to locate in one

area, I would think that is the area to which it would go. If it went elsewhere, there is no doubt some compelling reason for it to go.

Mr. Belanger: No! I do not think the hon. Minister gets my point very clearly.

What I was stating was that: suppose, we will say—I have seen it—a municipality will say that they will grant an industry a concession of tax-free for a period of 10 years in order to attract an industry to their town. I feel that this is something that should not be done at all.

Hon. Mr. Macaulay: They cannot do it by the law of the province.

Mr. Belanger: Pardon?

Hon. Mr. Macaulay: They cannot do it by the law of the province.

Mr. Belanger: I am wondering whether the hon. Minister is aware what is going on in the province.

Hon. Mr. Macaulay: The hon. member asked me the question as to whether municipalities should be able to offer incentives in relation to assessment and taxation and so forth. This is not an entitlement of theirs, but as far as whether it is being done, the hon. member might better—and I would ask him to do so—bring it up in the estimates of the hon. Minister of Municipal Affairs (Mr. Cass). This does not come within my jurisdiction.

Mr. Belanger: All right, I will do that, if that is the place to bring it up, I will certainly do that. But I happen to know of cases, that is for sure.

Mr. G. E. Gomme (Lanark): Read the law.

Mr. Belanger: The law might be there, but what goes on under the table is a different matter.

I would like to ask the hon. Minister another question and it is this: if a municipality has an industry that wants to locate there and they need the help of the department in order to give them certain figures and so forth, is the department willing to sacrifice its men to go down to the municipality for a period of, say, maybe two or three weeks to assist the municipality? Is it done at the cost of the province?

Hon. Mr. Macaulay: Yes, it is. First of all, we have a number of people who are on the move all the time, they go from municipality to municipality all around the province. I do not know how many hundreds

of municipalities Mr. Holland and his group would call on, and I do happen to have a couple of letters here from areas not far from the hon. member, from mayors of areas who have written to me recently to thank me very much for Mr. Holland, who is here on my left, coming with some people from the staff of the department to assist them.

Now if we are in the United States and we have a contact, if somebody wants to come here, our men in the United States, through the Chicago or the New York office, service the account on the American side and the information is made available. Our people will go anywhere and do anything to try and locate industry here in this province, anything within reason, or to find exports for our producers in this province.

Mr. Thompson: I was interested—I can appreciate the work and the dedication of Mr. Holland—but I was just trying to get some figures on a number of industries in Ontario. I think in the construction industry it is something like from 1,000 to 1,600 which would be interested in the export field. Is that so?

Hon. Mr. Macaulay: I am unable to tell the hon. member. I do not know, but—

Mr. Thompson: I would feel it would be almost an impossible task, unless the hon. Minister had a very large staff and I realize he likes to keep his staff to the minimum to cover all these industries and to inform them personally of opportunities.

Then there is always the danger that some people who might have wanted to know of an opportunity in some foreign market and have not heard of it may suggest that the hon. Minister's department was showing favouritism to some other group. I appreciate the sincerity of the staff to try to inform any industry in Ontario about the export opportunities.

When I asked a question before supper, I noted that the hon. Minister said he sends out these books—I am going back to this "fabrication gap"—and I would like to offer the suggestion that existing weekly newspapers covering this show the opportunities in the export field. I had one that I mentioned previously; I was reading it at supper. It points out that there is a market of \$300 million apparently in some countries. Probably our people do not know about this. I would suggest the hon. Minister use these newspapers and encourage them to be read by the industries in Ontario, or else have a regular release to be sent out to industries in Ontario as well.

Hon. Mr. Macaulay: We have a regular monthly release. I am sorry, as I pointed out, our pages are not here and, therefore, I am unable to send it over to the hon. member. I would be happy to make it available tomorrow.

Mr. Thompson: Does this go to any industry that asks for it?

Hon. Mr. Macaulay: Yes, as well as those which are on the mailing list.

Mr. Troy: Mr. Chairman, I noticed that there is quite an increase in the amount to U.S. offices. Is the department opening another office?

Hon. Mr. Macaulay: No. What item is the hon. member under?

Mr. Troy: Under No. 5, the amount is \$85,000. I noticed that last year—in the estimates of The Department of Commerce and Development.

Hon. Mr. Macaulay: The increase is \$25,000 over last year for the two United States offices. The reason for this is \$7,500 in terms of salaries, \$5,500 in terms of allowances, apartment rent \$2,100, moving expenses for one person, and for increase in travelling maintenance, and so on. The total amount is \$25,000.

I anticipate that we will be placing—this involves the natural increment in the salaries of our stenographic staff in both offices—and I anticipate that we will be putting one additional person in the New York and Chicago office. The problems are many, of course, as hon. members realize. If a person is out on a call servicing industries and someone was to come to the office there would be no one to look after them, other than the secretary. This involved two people being there and for each one of these persons, of course, there are salaries and allowances because of the difference in the cost of living, and a number of adjustments. The addition is \$25,000, allowing for additional secretarial staff and two additional people and a stepped-up programme.

Mr. Troy: I notice there seems to be quite a difference in living and representation allowance in Chicago. Your man there, Mr. Cooksley, was given \$1,287, and Mr. Probyn in New York City \$4,600 in the same service, apparently. Is there that much difference in living costs?

Hon. Mr. Macaulay: This is because of the change of personnel half-way through the

year. The hon. member is only looking at a half-year.

Mr. Troy: Was the Chicago man only there six months?

Hon. Mr. Macaulay: Mr. Holland tells me that there are two reasons for this. It was a half-year break, in addition to which there is a different allowance for a married man, who is the gentleman in Chicago, and an unmarried man, who is the gentleman in New York. It costs more money to be unmarried in New York than it does to be married in Chicago.

Mr. Bukator: The hon. Minister mentioned the regional development group. Am I in order to speak on that matter, pertaining to regional development?

Hon. members will recall about a year ago, as a matter of fact this time of night, I asked the then hon. Minister of Commerce and Development, the hon. member for Kingston (Mr. Nickle). At that time he promised that they would make a survey on the project that I was speaking about, which was Black Creek, bringing the water down from Lake Erie through Black Creek and helping many of the farmers, the tourist industry, the boating industry, and so on. He did promise me a survey. Now I might say to the hon. Minister—I am sorry the hon. Minister from Kingston is not here—they did have a survey last year and it looked like it might be feasible to develop this area for many purposes. Now—

Hon. Mr. Macaulay: Could I ask, was there a survey?

Mr. Bukator: Yes.

Hon. Mr. Macaulay: And the hon. member would like to have it?

Mr. Bukator: That is it exactly. I would like the results—

Hon. Mr. Macaulay: If there was a survey, the hon. member will have it.

Mr. Bukator: That is all I want. As a matter of fact, the only other thing I would ask at this time: if it is feasible, would they start the job? That is all I would ask for that area.

Hon. Mr. Macaulay: Well, in that I did not know there was a survey, I am not able to say whether they are able to whatever it is the hon. member asks me if they can do.

Mr. Troy: Mr. Chairman, may I ask the hon. Minister: what is the grant going to be to the regional development associations this year?

Hon. Mr. Macaulay: \$15,000 for each association.

Mr. Troy: Thank you.

Mr. B. Newman (Windsor-Walkerville): Mr. Chairman, did the department attempt to direct industries to set communities—I specifically refer to communities that might be economically depressed—and in the course of their discussion with industry on the American side, sort of attempt to sell one community over another?

Hon. Mr. Macaulay: I would frankly say to the hon. member, who is an associate of the hon. member for Windsor-Sandwich (Mr. Belanger) who asked me the same question a few moments ago, I said to him at that time: this is why there are regional development associations. Our basic responsibility is to introduce people from outside Ontario into Ontario; they tell us their specific requirements, and it is our responsibility to provide them with information through our municipal services. We tell them of the various municipalities which could fill the needs that they have.

We then put them in touch with the various regional development associations, and it is up to these development associations to compete with one another in relation to these matters. However, I will say to the hon. member who has asked these questions, that we have now under study, through the economic council, the question of an Ontario development fund. This is one way that we may even out development of secondary industries, and also tax incentives, all of which can be directed towards, as the hon. member would realize, the depressed areas and so forth. But as far as our present policy is concerned, our job is to bring industries to the Ontario border and to find market opportunities for those who are manufacturing in Ontario.

Mr. Newman: Mr. Chairman, I thank the hon. Minister for the answer, but does the department attempt at all to impress upon industry desiring to locate into the province that certain areas suffer considerably from unemployment, and, as a result, should possibly be favoured over others?

Hon. Mr. Macaulay: Well, this really is not what one would call an item that could be put very high on our list of saleable

qualifications. We do what we can to bring industry to this province. I do not know what more I can say than that. We do not point out that one municipality although not as well equipped as another, would like to have them more than somebody else, or needs them more. Our job is to point out, as we say, that Ontario is a good place in which to do business, and that these are the municipalities that can fill the bill.

Mr. Thompson: I would like to enlarge on the remarks of my colleague to the right (Mr. Newman) and to point out—and I am sure that the hon. Minister, if he has read the study by the United States Senate, the manpower study, he would recognize that they took an example in Pennsylvania, which is the depressed area, they took one of the towns there, Hazeltown. The coal-mining industry had been depleted, and there was stagnation on the part of the labour force.

They took a more comprehensive look than just suggesting: "Why does industry not come in here?" They told industry that there would be retraining of the unemployed men. There would be opportunities for sites for industry coming in. There would be houses provided and if industry would locate there, the retraining would be particularly for that industry. I think this is what my colleague to the right is suggesting. In other words, a more cohesive approach to this problem, and I would—

Hon. Mr. Macaulay: In spite of the fact that yesterday, the hon. member made some considerable light of the fact that I talked about retraining, saying that this was—at least one of the Opposition members did—that this properly belonged in some other department, and I was trying to become a czar. Is the hon. member now suggesting that I have some responsibility in this area?

Mr. Bukator: If he is a good czar, yes.

Mr. Thompson: I would hope that there would be a happy co-ordination amongst the hon. members of the Cabinet; sometimes I wonder about this.

Mr. Whicher: Mr. Chairman, I assure you I will not be long, but I want to say something about these regional development associations, because I have had a little bit to do with one of them. I am not going to be the least bit critical of the hon. Minister. He has told us that it has been a hard job to reorganize the department, and I certainly appreciate that; but when he gets a little more time I wish that he would look

into these grants to regional development associations for this reason. I believe that the regional development associations were set up originally to attempt, to the best of the ability of this government and of the associations, to try legitimately to decentralize some of the industry in the province of Ontario into the rural parts and small towns of Ontario.

The point is that these municipalities, for example, in my own area of Bruce, or Grey, obviously work on very limited industrial budgets, and I would strongly suggest that, in order to make these development associations have real success, there should be more money put into the pot from the government level.

I am not one who goes and suggests that the government should give money away irresponsibly, but I sincerely suggest to the hon. Minister that this is one place where, when he has more time—probably when the session is over—he should look into the possibility of increasing the grants to development associations, because those fellows can really do a good job.

They are on home territory; and by advertising and by going out and putting on a strenuous effort, it is quite possible that they can get industry in their own locality which now they cannot do for one reason—that they cannot afford it. They cannot afford all the entertaining, and the labour, involved in getting industry into a small locality; and all of us know that entertainment and labour are very, very important, and they go hand-in-hand. I suggest to the hon. Minister that he look this situation over again when he has more time.

Now then, the next thing that I wanted to suggest to him. I am very glad to hear that he is putting an extra man in New York and in Chicago; and, with all due respect to the hon. Minister, I suggest that this still is not enough; but I know that if it is not enough he will put more there. I will only take one minute, but I want to quote from a speech from the industrial commissioner of the city of Brantford, dealing with this problem. It is very short and took place before the estimates of the hon. Minister came, so there is a little change. I quote from his speech:

In addition to the efforts of the various communities across the province, the Ontario government has The Department of Commerce and Development, which has a division known as the trade and industry branch whose function is to handle inquiries in relation with firms from the United States and Europe seeking to examine the Ontario

market. The people from this branch are doing an excellent job but they are too few and far between. For instance, they maintain one man in New York and one man in Chicago, who have the monumental task of representing the leading industrial province of Canada in a country of 180 million people.

Now this is the area of "hard sell". What impact can two men have on this vast American industrial territory? I would strongly suggest that Ontario representation in this field is entirely inadequate and should be bolstered as rapidly as possible. In addition, the growing strength of America's industrial complex on the west coast should be recognized by the establishment of a province of Ontario industrial relations office in California. We must wake up to the simple fact that Quebec and other provinces are pushing and pushing hard in the race to grab the potential industrial firms seeking to locate in Canada. It is to be hoped that the new Minister of that department, the Honourable Robert Macaulay, will recognize these salient features.

I am quoting from the industrial commissioner for the city of Brantford, Mr. Mackenzie.

I think there is no criticism there whatsoever. But I strongly suggest to the hon. Minister that even two men are not enough. I know if he finds it necessary to have trained salesmen to sell our products in Chicago and New York, that if necessary the staff will go up to 10 or 12 men; and I would hope he takes the view, the forward-looking approach, in looking into the future in the next two or three years, that in order to sell a country like the United States we have to put men there—not just one or two or even half a dozen—and that they have to be real trained fellows to do the job.

Votes 307 and 308 agreed to.

On vote 309:

Mr. Thompson: Mr. Chairman, I suggest that—

Hon. Mr. Macaulay: Which vote is the hon. member on?

An hon. member: Does the hon. member not have a home to go to?

Mr. Thompson: Well, for the sake of the people of Dovercourt and of Ontario, I deprive myself of my home. I was interested in

the two immigration officers that the hon. Minister is appointing, two additional immigration officers. Are they to be attached to Ontario House? Is their area of work going to be in Great Britain?

Hon. Mr. Macaulay: The hon. member mentioned two immigration people, did he?

Mr. Thompson: I am sorry, I thought the hon. Minister had mentioned that.

Hon. Mr. Macaulay: Yes, I mentioned two; but I wondered whether those are the two that the hon. member mentioned. We have them here in the province of Ontario, with one additional person at Ontario House.

Mr. Thompson: Could I ask the hon. Minister what is the purpose of the two in the province of Ontario? Are they going to be consulting with industry to see the kind of personnel needed? And as regards to the man in Ontario House, will he be looking further than Great Britain?

Hon. Mr. Macaulay: I am sorry; I did not hear what the hon. member said.

Mr. Thompson: Will the man in Ontario House be looking further than Great Britain to get this technical staff?

Hon. Mr. Macaulay: Well, this organization is basically for the UK, and the policy is not to supplant or replace the immigration policy generally of the federal government, because obviously that is their jurisdiction. This is as it affects the economic situation in the province.

Mr. A. H. Cowling (High Park): Mr. Chairman, we moved along there pretty fast, and I know it is getting late, but on vote No. 308—I have had my eye on that one all evening and we went over it. I wonder if the hon. Minister could just tell us what the inter-governmental relation branch does?

Hon. Mr. Macaulay: It has a number of responsibilities: to study questions of federal-provincial relations including tax-sharing agreements, fiscal arrangements and related matters; to study the relationships between the province and the municipalities; and to undertake other duties that are in these areas.

I might just mention some of the things which have been under way and completed in the last year, since the hon. member has asked:

(1) Material was prepared for the plenary session of the federal-provincial conference

held last February and for meetings of the federal-provincial continuing committee on fiscal and economic matters in February, March, April, September and November.

(2) General matters under study for these meetings included new fiscal arrangements to replace existing tax-sharing agreements which are due to expire March 31, 1962—new methods relating to taxation of companies engaged in logging operations and reciprocal arrangements regarding the application of taxes on Crown agencies.

(3) Several payments under existing tax-sharing arrangements were examined and analyzed—a similar examination in a prior year resulted in an additional payment to the province of Ontario of more than \$1.2 million with respect to the rental of the personal income tax field.

(4) Research was carried out on methods providing special grants to school boards for the benefit of residential and farm ratepayers.

(5) Special report on Metropolitan Toronto system of government was prepared for the special committee of the metropolitan council on metropolitan affairs.

(6) Water power rental agreements between the province, Hydro and Niagara Parks Commission were reviewed.

(7) The branch is studying, in collaboration with The Treasury Department a draft agreement with the federal government for the federal collection of Ontario personal income tax—and I have four pages here that relate to programmes that we now have under discussion.

Vote 309 agreed to.

On vote 310:

Mr. Thompson: Under 310, I raised the question about the \$9 million—I apologize, I had said \$19 million—research institute or research centre. I am curious about this from the point of view of administration. I can understand that research is really the exchange of ideas, and yet there is a need for equipment in order to develop these ideas. But I am wondering about spending this large amount of money on a research centre in one area. The hon. Minister had mentioned that the reason for having it, I think, near Toronto was because there was a lot of industry here. I wonder why DuPont, for example, are doing their research in Kingston; there is research in Sarnia on petroleum; and there is also automobile research in Oakville. It seems to me that some industries—I think the hon. Minister grasps the point I am making.

Hon. Mr. Macaulay: Does the hon. member want the answer?

Mr. Thompson: Well, I would just like to ask another question. How does the hon. Minister decide what industry will get priority in research—that is part of my first question, I think.

Hon. Mr. Macaulay: Well, firstly, answering the hon. member's questions in reverse order, how does one decide what industries obtain what order of priority in the research of the Ontario Research Foundation? I would say that all industries pay the cost of the research at the research foundation and it therefore depends on what arrangements they work out in the Ontario Research Foundation. It is just a question of how much they can handle all at one time. In short, the Ontario Research Foundation is more than two-thirds industry supported, employed and financed.

The other portion of it is in relation to the provincial government for specific undertakings that we finance, that we think are in the interests of the province to develop, for example, new products, new techniques, to help industries which may otherwise be facing difficulties due to technological changes and so forth. Their second job, in relation to us, is to give or to act as a committee for the granting of university research and post-graduate science and engineering scholarships which we grant in the extent of \$275,000. Now the breakdown of the million dollars which I am asking for is: administration, research, review and advisory committee—\$32,000; northern Ontario development and foundation research, special services and projects and energy sources for jet smelting—\$693,000; and I can give him the number of studies that that includes; and then we asked the Ontario Research Foundation to distribute some \$275,000 for research in post-graduate science and engineering scholarships in areas which they have selected which they think are productive in original research.

Mr. Thompson: Could I ask another question with respect to this? Previously the hon. Minister had mentioned 11 per cent of the 50 per cent corporation tax and that this does have an influence on industry. I had wondered if he had thought of encouraging independent research by corporations to which he might give some tax incentive.

Hon. Mr. Macaulay: Well, could I mention to the hon. member the first question he asked in relation to this \$9 million? At the present time, the Ontario Research Foundation is on Queen's Park Crescent, in

two or three buildings, and it is quite pressed for space; there is a necessity for it to move elsewhere to house its equipment and to carry on its expanded obligations. Therefore the question embraces a new concept, an entirely new concept for it to go where there is some space around it and where it can centre itself as a nucleus; and industries can come in and locate all around it. This is why I described it as a satellite community.

There are four or five large industries which have indicated a great interest in doing this, and co-operating. There can be an exchange of technicians, and of engineers, and of research, and of information, and of saving in equipment and, therefore, we would have, in effect, a heart in the centre which is the Ontario Research Foundation and around the edge would be a number of companies, the names of which I cannot mention at the moment, but I hope to have something of a substantial nature to indicate to the House in time.

Mr. Whicher: Mr. Chairman, I note that this vote was a little bit abrupt, because I note that with the advisory committee—and I think we tossed those words around earlier in the evening to some extent—I wonder if the hon. Minister would name the advisory committee whom this \$32,000 pays and the personnel there.

Hon. Mr. Macaulay: I can name it. As a matter of fact it is a board of directors. Actually, the \$32,000 does not go to the advisory committee, so let us get this clear right off the bat. We pay \$32,000 to the Ontario Research Foundation as our contribution to a \$3 million or \$4 million total budget.

We feel we involve them in the distribution of the \$275,000 worth of scholarships and also in handling the \$693,000 worth of specific undertakings that we ask them to carry out. In short, this is \$32,000 that we pay to their overhead. On the board are people like Mr. Twaits, head of Imperial Oil; I do not know whether Mr. Sale is on it, but there are a large group of industrialists. Dr. Tupper is the chairman of the board. I would be happy to send the hon. member a list.

These people are not salaried. The name advisory committee just happens to be a phrase. These people serve without remuneration whatsoever. The advisory committee's purpose is to do two things: one, to sit at their own expense and on their own time to decide how this \$275,000 should be divided up among people doing original research. Secondly, to delineate the areas in which we should operate in connection with the \$693,000, also to support original research.

Mr. Whicher: Is this the committee that the former hon. Prime Minister (Mr. Frost) set up last fall?

Hon. Mr. Macaulay: No, this is the board of directors of the Ontario Research Foundation.

Mr. Troy: Mr. Chairman, would a graduate student in nuclear physics, who is at the university now taking his MA and hopes to go to Oxford or Cambridge or some British university to continue experiments in nuclear physics, be eligible for one of these scholarships? To whom would he apply: to The Department of Economics and Development, or to the research foundation, or to the university?

Hon. Mr. Macaulay: Frankly, I cannot tell the hon. member whether he would be eligible or not. But a way he can find out very quickly would be to apply to Dr. Misner who is the director of the Ontario Research Foundation.

Mr. Chairman, I would like to table, if I might, the annual report of the Ontario Research Foundation.

Mr. R. F. Nixon (Brant): Mr. Chairman, one question before we leave this section. I have been waiting for some time, like one of the hon. members referring to one of the other sections. When we were talking about the research organization in The Department of Agriculture which is to be set up, there is provision made in that legislation to allow the department to charge for certain discoveries that they may make that would be marketable.

The connection with this is as follows: I understand that basic research is done at the universities, but practical work on industrial problems, provided from Ontario industry, is done on Queen's Park Crescent and at this new establishment. The industries concerned pay the cost of this research, but suppose some development comes from the work of the Ontario Research Foundation that is patentable. Is there legislation that would enable one to patent this and to collect money on the use of the patent?

Hon. Mr. Macaulay: My recollection on this is that the patents on work which is done by the Ontario Research Foundation for company "X", and fully paid for by company "X", belong to company "X". Where research is done by the Ontario Research Foundation under these general grants the patents are "res publici". I am sorry that the hon. member for Sudbury (Mr. Sopha) is not here.

Mr. Whicher: I do not know what the hon. Minister means by "res publici".

Hon. Mr. Macaulay: They are in the public interest. They would belong to the research foundation for the general public.

Vote 310 agreed to.

On vote 311:

Mr. Lawrence: Mr. Chairman, before 312 is passed, I would hope that the hon. members of the House, would certainly want some further exposition of that very vivid description which we had a couple of years ago from the hon. member for Leeds (Mr. Auld) on the far-reaching programme of back-breeding. I wonder if he could tell us more about how the development of that programme has continued.

Hon. Mr. Macaulay: Actually, back-breeding comes under the next vote.

Mr. Trotter: On 311, Mr. Chairman, there is an item 2, the operation of park and historic sites. Just what does that cover, because The Department of Travel and Publicity is supposed to be looking after parks and historic sites, at least looking after historic sites?

Hon. Mr. Macaulay: No, that is not correct. The Ontario-St. Lawrence Development Commission is a commission which was established to create and develop this particularly historic area of the province of Ontario and has nothing to do with The Department of Travel and Publicity. Under the Ontario-St. Lawrence Development Commission comes Fort Henry at Kingston and the parks not too far from Cornwall; which is not perhaps the way the hon. member would want it referred to, but some distance from Cornwall.

Mr. Trotter: Mr. Chairman, I would suggest that it would be more reasonable that this section, \$954,000 covering parks and historic sites, should be in either the parks department or Lands and Forests. Why would they put it in this department?

Mr. MacDonald: Mr. Chairman, I think the answer to the question is that on the select committee we have been wrestling with this problem for two years and we are one day going to bring in a recommendation as to where it should all—

Hon. Mr. Macaulay: When hon. members do, that will be time enough perhaps to—

Vote 311 agreed to.

Mr. Troy: Under the ONR clause, or whatever it is—

Hon. Mr. Macaulay: May I just say—while I have these in my hand—that there has been some considerable interest, discussion and inaccurate reference, in and by and around, through and under and over the press, about the Moosonee harbour investigation basic field survey in 1960, and I would like to table these things.

Mr. Troy: Early in this session I asked questions in regard to certain matters about the Ontario Northland Railway. They have been in the hands of the hon. Minister, or the appropriate hon. Minister in any event, for many weeks. I wonder if the hon. Minister at this point is able to—I know he is able to—but will he answer those questions first?

Hon. Mr. Macaulay: What were the questions?

Mr. Troy: The first one is—I will read it to him—have there been or are there now any former employees of the Ontario Northland Railway who after retirement on superannuation are being kept on or were kept on in an advisory capacity?

Hon. Mr. Macaulay: If these questions are on the order paper I will answer them as questions on the order paper only.

Mr. Troy: Only?

Hon. Mr. Macaulay: While the hon. member is speaking, I will go on looking and see what I can give him off the bat.

Mr. Troy: I understand that in connection with the new development of northern Ontario the communications system is being expanded, particularly because of certain conditions that prevail in the city of North Bay and also that have to do with the defence of this country. One would think it was improving the general telephone system, or communications system, of northern Ontario. I would like to know: first of all, in one of the projects in connection with the communications, there was a tender called, the tender number was ONC59—I think it was—

Hon. Mr. Macaulay: It does not matter, it deals with air-cooled and water-cooled generators, does it not?

Mr. Troy: Prime powered diesel is one; and standby propane and no-brake propane. It is in connection with the new communications system. A North Bay firm,

Inspiration Mining Limited based at North Bay—

Hon. Mr. Macaulay: \$26,937, is that the one? As opposed to—

Mr. Troy: Yes, one was \$36,907 for the first one, the prime powered diesel, tax included; the other was for the standby propane. The North Bay firm tendered \$54,748, and no-brake propane complete \$102,000. Altogether the North Bay firm's tender was approximately \$184,000.

I understand that tender was let to the Quebec firm, Atlas Polar; and some firm co-operating with them, I think it is Russell Hipwell. Now, if there was a substantial difference in the tender price, it is only reasonable to expect that the contract would be let to the lowest bidder, even if it was an outside of the province firm. But if there was not too much of a spread, in view of the fact that Inspiration Mining is a firm operating in northern Ontario, then I think that a little leeway should have been given to the northern Ontario firm and the contract given to them.

What was the tender of the successful bidders?

Hon. Mr. Macaulay: The advice that I have and the information the hon. member has given I will have to look at more carefully, but the Russell-Hipwell Engine Company is not a Quebec company, they are from Owen Sound. The Atlas Polar Company Limited is from Toronto. The Inspiration Mining and Development Company from North Bay bid on air-cooled diesels, and the engineering staff decided it was more in the area of efficiency for operation, etc., to purchase a water-cooled diesel and they therefore bought through, as I understand it, Atlas Polar Company Limited of Toronto. They were the lowest acceptable bidders.

Mr. Troy: What was the bidding, the price?

Hon. Mr. Macaulay: The price that I have here is in relation to the power generators of \$30,765.16.

Mr. Troy: Right, that is for the first one. What about the standby propane?

Hon. Mr. Macaulay: I am sorry, my notes do not indicate. Might I say I did not anticipate that particular point and I will have to look up the figures and send them to the hon. member.

Mr. Spence: Mr. Chairman, I would like to ask the hon. Minister a question. The northland transportation commission has tabled their report. How much promotion is planned for Moosonee and other tourist attractions? I understand the commission is operating boat lines. Are these boat lines paying? Are they going to continue?

I might say I understand the new iron ore mine is being brought into production; will the tonnage offset the decline in gold mining in the province?

Hon. Mr. Macaulay: I am sorry, I must say frankly that I did not catch the hon. member's question.

Mr. Spence: How much promotion is planned for Moosonee?

Hon. Mr. Macaulay: In dollars or activity?

Mr. Spence: What is the programme or the plan for the promotion of Moosonee?

Hon. Mr. Macaulay: Is the hon. member reading a question someone else has posed for him?

Mr. Spence: Yes, but I would like to know myself. I have heard a lot about Moosonee in the last three or four years and I am certainly interested in it. It was a great thing one day. When it was announced here in the House, we were really going to have something.

Hon. Mr. Macaulay: The position in relation to Moosonee I think can be sized up in this way: firstly—I am sorry, there are a number of things I wanted to distribute tonight. For instance hon. members will find in reference to the quarterly published by the Ontario Northland Transportation Commission for March, that 121 homes are being shipped from Fort William for erection in Moosonee.

In relation to the development of the port itself, the report which I have tabled is now available. This gives some indication of the amount of earth, silt and so forth that will have to be moved if the port facilities are to be created. At this time we have a three-prong survey under way in relation to the Ontario Northland Railway, one of which will touch upon the economics of Moosonee as a port. After we have received that, then we will be in a position to know the further surveys with which we must proceed.

There are two or three problems related to it. There is one as to whether Moosonee is

capable of being turned into a sea port. A great many people have felt that this was possible; a great many people with much justification, not one the least of which was Colonel Reynolds, the chairman of the Ontario Northland Railway. On the other hand, there have been some who have derogated this and who have made derisive remarks about any effort to develop a northern outlet at Moosonee. Now, I am sure that none of our hon. members opposite fall into that category, but, nevertheless, there have been some.

There is a great deal of activity in relation to Moosonee. For example, the Hudson's Bay Company—and they have been in the business for 300 years in the north and have some knowledge of what is going on there—are developing and building at the moment a large tug and two self-propelled barges to operate in the harbour of Moosonee. They have some faith in this.

At the moment, I think I could sum up the general situation by saying to the hon. member that there is the possibility of bringing iron ore to Moosonee and smelting it and bringing it south. There are all kinds of other opportunities in relation to clay materials, to lumber, timber and so forth. At the present time, we have a survey underway from which, when it is completed, we will know whence we will go forward. That is about all I can say. I have tabled this report which is now available.

Mr. Spence: What is the hon. Minister's stand on Moosonee?

Hon. Mr. Macaulay: My stand is that I have great faith in the development of the north. If Moosonee proves to be an economically sound project, we will go ahead with it. This is in line with what I said before.

Mr. Spence: Mr. Chairman, in regard to the boat lines that have to be operated by the commission. Are they paying? Are they going to continue?

Hon. Mr. Macaulay: No, the boat lines actually are not operating at a profit. They are operating at a loss of about \$37,000, as I recall. I am interested in this; the hon. member who wrote the questions for the hon. member who is now asking them, said that—

Several hon. members: Oh, no!

Hon. Mr. Macaulay: Now this is perfectly fair. I know who wrote the questions for

the hon. member, and one of his attacks on us was the question that we were not allowing the Ontario Northland Railway to carry out its fundamental purpose. Then he just leaves it at that, and starts making fun about the railway because it is not operating at a profit.

In fact, the same hon. member wrote a letter to a newspaper and I am sorry he is not here.

An hon. member: Who was it?

Hon. Mr. Macaulay: The hon. member for Sudbury (Mr. Sopha). The hon. member has indicated that he is asking somebody else's questions, can he tell us who it is?

Mr. Whicher: He wrote his own questions.

Hon. Mr. Macaulay: The boats are operating at a small loss at the moment. The fundamental purpose of the Ontario Northland Railway, as the hon. members I am sure realize, is for development. This government takes this position, that so long as the railway and its boats and its automobile transport systems are operated at the best efficiency that man can produce, whether it loses money or not, is not important to us. What is important is: does it bring development? If it does bring development, that is what we stand for.

Mr. Spence: Might I ask the hon. Minister if they are going to continue the boat lines? This was not answered.

Mr. Troy: There are several boat lines. I know of several that operate on Lake Nipissing—

Hon. Mr. Macaulay: Operate what on Lake Nipissing?

Mr. Troy: Why was the hon. Minister not listening? He would have found out.

There is in the city of Toronto, at the present time, a sportsman's show. I understand on Monday, the opening day, over 50,000 people were there. If hon. members go down to the sportsman's show to find out something about the Ontario Northland Railway, of the services offered for the tourists, to find out if it has boat services and other facilities, what they have to do is ask some girl and she takes name and number and says: we will send you a letter. Now I suggest to the hon. Minister that he tell this advisory committee—I guess he is allowed to speak to them and give them some advice,

as they can give him advice—he tell his advisory committee that they should suggest to whichever department—Economics, Development, or whatever it is—that they see to it that there is, when the most important sportsman's show in Canada is in operation in the great city of Toronto, somebody from the ONR publicizing that particular railway.

Hon. Mr. Macaulay: Well, I was \$4,000 out. The deficit for 1961 was \$39,000.

Mr. Spence: Are they going to continue the boat lines?

Hon. Mr. Macaulay: I would say that the boat lines are part of the survey that is being undertaken at the moment and there is not much point in talking about a future programme before the surveys are available. I would say that I see nothing to indicate in the future that we would be discontinuing this service.

Mr. Troy: The hon. Minister said quite forcefully to the hon. member for Kent East (Mr. Spence) who was seeking information, I think legitimately, that the ONR was for development. Why, then, has the government not considered the policy of subsidizing the railroad so that, as the member for Timiskaming (Mr. Hoffman) has pointed out, and as has been pointed out by other members for northern Ontario on other occasions, there are a number of industries, particularly the industry of beef-growing, that could be developed through better forage. Fertilizer is needed there. It is so expensive to get it by railway.

One can do all sorts of things. If one looks at the various cars of the Ontario Northland, one sees blazoned there "northern Ontario's development road". The hon. Minister said a moment ago that that is what the railway was there for. I hope then that there will be a change of scene. I know that we had at one time—I am talking about the boats that my hon. friend from Kent East (Mr. Spence) has discussed—a great promotion of boat service on Temagami. There was a great dream of developing that area as a summer paradise. It is a wonderful place but apparently the director, or whoever it was, of the promotion for some reason or other got sour on that particular project and he went north to Moosonee. It seems to me, too, that for many years to come—I think we should wait because in a very short time, perhaps in the next 20 years—we will have ocean-going submarines that will, with a little bit of uranium about the size of an ice-cube which

will last for ever, operate all seasons of the year.

They do not have to wait because the Hudson Bay Straits are only open 2.5 months. In any event, why should they ship ore all the way down from Moosonee—the mills are in the United States—all the way by rail, when they could stockpile it on the Belcher Islands and take it out by boat in a navigation season? But I am not here to discuss Moosonee, I am interested—

An hon. member: Ask him about the diamonds.

Mr. Troy: Yes, I understand that there are diamonds up around there and of course they say there is fools' gold up there too. However, I am very much interested in this announcement in regard to the private enterprise, the firm of Jones and Laughlin from Pittsburgh, who are going to establish a mine at Boston Creek. I know, Mr. Chairman, as the hon. Prime Minister (Mr. Robarts) said when he was in North Bay, that that will mean a great number of extra trains on that line. I also know that it is going to mean that there will have to be a lot of work done on the old coal cars that have been out in the open for many years. I do not know if they are going to be in shape, with the bearings that they have or whether, running all the way from Boston Creek down to Pittsburgh, they will stand the run. I also wonder if it will be necessary to double-track that line, because with the regular traffic coming down—the lengthy paper trains, the passenger trains—will it be necessary to double-track the line?

Hon. Mr. Macaulay: No, it will not.

Mr. Troy: Why not?

Hon. Mr. Macaulay: Simply because we are timing—and this is something that is relative in all fields of life—with adequate timing, it is not necessary to double-track the system.

Mr. Troy: But with the diesel power that the ONR have—

Hon. Mr. Macaulay: Do not argue with me about it, my hon. friend. The engineers say that it is not necessary to double-track the system. Now, does the hon. member want to stand here and—

Mr. Troy: I did not say the system. I—

Hon. Mr. Macaulay: The line south to North Bay—it will not be necessary to double-track the system.

Mr. Troy: All right. What about these employees that were laid off? Will they be the ones to get the first chance to go back into the shops where all the old coal cars are being repaired?

Hon. Mr. Macaulay: They will, of course, be the first to come back.

Mr. Troy: The first to come back? Has the hon. Minister found the answer yet?

Hon. Mr. Macaulay: To what question?

Mr. Troy: The hon. Minister said he was going to look for—

Hon. Mr. Macaulay: Oh no. If the hon. member will ask the questions on the order paper, I will answer them as they are on the order paper.

Mr. Troy: All right. Is the hon. Minister yet prepared to say that with this great new programme, this dynamic development of northern Ontario, that he is going to reorganize the commission? I understand that the present chairman—I do not know whether he is still chairman or not—is not well; he is in the south for his health. And the others—one of them is quite old. He is older than some of the people in the Senate.

Hon. Mr. Macaulay: Is the hon. member finished now?

Mr. Troy: Well, I will be quiet if I have to.

Hon. Mr. Macaulay: The hon. member does not have to, if he wants to go on. As far as reorganization of the commission is concerned, I would say that we have—as I said in these three surveys, all of which will be available to us in a matter of weeks, one of which deals with personnel and the commission and so forth—an opportunity to consider the existing arrangements; and if at that time it seems wise that there be some adjustment in this connection it will be made.

Mr. Whicher: I know the hour is getting late and everybody wants to get home, but there are just one or two remarks that I want to make in connection with Moosonee. The hon. Minister seems to take the attitude that when we ask questions about—and I am giving the example of—Moosonee, that we are doing it strictly to put in time, that we are not really interested in it, and things of that nature. I want to impress this on you, Mr. Chairman, that you cannot blame us in the Opposition for being a little bit sceptical about an area such as Moosonee.

I am going to tell you, Mr. Chairman, that I heard the former hon. Prime Minister of this province (Mr. Frost) stand over there, three or four years ago, and promise to the people who live in Moosonee and in northern Ontario that there was a sum of \$5 million to be spent for the development of that port.

Now, Mr. Chairman, that did not take place. I want you to know that all of us on this side of the House are as keen for the development of the north as you are and we wish the new hon. Minister of Economics and Development every possible success in his endeavours, but at the same time you cannot expect us to sit down here and passively accept the words of the new hon. Minister of Economics and Development when he says that he is for the development of the north.

What we go on are the actions of the past. We were very interested of course in the dreams of the hon. Minister for the future, but when we think about the actions of this government in the past, in promising to us in the Opposition and to all of the people of the province, the sum of \$5 million for Moosonee, it was nothing but a fairy tale.

Mr. Chairman, I say to the new hon. Minister of Economics and Development, I was the one who called him an economics czar the other day, and I will certainly do it again. But he must remember that in that speech of mine I also wished him 100 per cent success.

If he has to be a czar and take over five or six of the Cabinet portfolios of the hon. men who are his colleagues and sitting around him, more power to him; the point is that we do wish him every bit of success. But his speech the other day and tonight and his speeches at the beginning of this session, have been nothing but dreams of the future, which we hope will be successful, and an indictment of the Tory government of the past 20 years.

Therefore we say to the hon. Minister, when he talks to us about Moosonee and the development of the north, come to us next year with a little bit of action and not just promises.

Mr. R. Brunelle (Cochrane North): Mr. Chairman, Moosonee is in my area and after all the doom and gloom from the hon. members of the Opposition, I would like to announce to this House a very important item bearing on Moosonee. At Moosonee in a few months time they will be able to eat some nice Arctic char. The federal government is going to establish a fish processing plant. I would like to read this letter from the hon.

Angus McLean, hon. federal Minister of Fisheries. It is dated March 8:

Dear Mr. Brunelle:

In reply to your letter of March 3, I am advised that The Department of Citizenship and Immigration has obtained a parcel of land at Moosonee in connection with its programme of encouraging the development of commercial fishing by Indians. I am therefore forwarding your letter to the hon. Ellen Fairclough for further comment.

Naturally, like yourself, I am extremely interested in instances such as this which have to do with the development of relatively unexploited fisheries. The inspection service of my department will be providing such assistance as may be required for white fish, Arctic char and other species from this operation in order to assure the consumer of a top quality product.

Yours sincerely,

Angus McLean.

Mr. Chairman, this is another instance of another industry which is being established. I live in that area and, I for one, will tell hon. members that my people are very optimistic. Along with what the hon. Minister of Economics and Development (Mr. Macaulay) has announced, at the present time there are air force personnel in the neighbourhood of around 500 and in a few months time, by this summer, we should have approximately 700 or 800 personnel of the air force. So with the air force personnel, the establishment of a fishery, with the existing activity, even at the moment we have, I would say, enough to go on. With the unlimited resources and with the other developments taking place, Mr. Chairman, I say that Moosonee is an area to which we can look with optimism. In a few years time, we will be congratulated for the steps we are taking now.

Mr. Whicher: Mr. Chairman, I would like to ask the hon. member, for whom I have a great deal of respect, this question: he said he is optimistic about the future. Is he pessimistic about the unkept promises of this government in the past as far as Moosonee is concerned?

Hon. Mr. Macaulay: Words only, words only! Let me state one thing and be perfectly fair about it. The hon. Prime Minister of Ontario, as he then was (Mr. Frost), said that we would undertake a survey, in joint arrangement with the federal government,

which was likely to cost about \$50,000. He said if this survey gave promise, the investment on development of a port at Moosonee, the future prospects for capital development in that area would entail expenditures in the neighbourhood of \$5 million.

Mr. Whicher: Was there \$5 million put in the budget of that year?

Hon. Mr. Macaulay: No, there was not. But there was enough to carry out the survey and that is the undertaking that was made.

Mr. Spence: Mr. Chairman, the hon. Minister never answered the last part of my question. The new iron ore mine tonnage, will it offset the decline in gold mining in the province?

Hon. Mr. Macaulay: I would think that it will go a long way towards it.

Mr. Troy: Mr. Chairman, I want to ask the hon. Minister a question in regard to the other operation of the Ontario Northland Railway Commission. This Star transport, is the hon. Minister able to give the House some idea of the success of that operation? I know it is fairly successful.

Hon. Mr. Macaulay: Yes, my recollection of the transport service—of the Star transport—is that there was something in the neighbourhood of \$160,000 profit. Sorry, \$210,000 profit.

Mr. Troy: Mr. Chairman, since the Star transport does not deliver between North Bay and, I think it is, Swastika, and since the Walter Little transport has the rights in that area and then from Kirkland Lake on through to Quebec, would the hon. Minister consider making a strong effort from his department, or instruct the Ontario Northland Railway Commission to make a strong effort, to buy out the Walter Little people? I understand that if the price is right, they are willing to sell. Then we would have the possibility of marshalling yards in the city of North Bay and could combine the two services, the Walter Little service from North Bay to Kirkland Lake and all the points in between and then on up to the Quebec border, with the Ontario Northland Railway service to start transport from Swastika north to, I think it goes into, Kapuskasing. That particular facet of the operation of the commission is paying.

I would also like to know: has the site been procured yet for the new building that has to be built in Widdifield Township in connection with the communication development?

If so, from whom was it purchased and what was the price?

Hon. Mr. Macaulay: In relation to the first question the hon. member has asked me. I would be happy to take it under consideration. As far as the second question is concerned, I have the answer here somewhere. I have been unable to locate it in my papers and I will, therefore, be pleased to send it to the hon. member.

Mr. Troy: Thanks. I must assure not only the hon. Minister but this House that anybody who lives in the city of North Bay is definitely interested in the success of the Ontario northland as well as every other part of northern Ontario. If Moosonee is feasible, certainly we on this side of the House as well as—

Hon. Mr. Macaulay: Yes, I have the answer here. It was owned by a Mr. Alec MacPherson.

Mr. Troy: And the price?

Hon. Mr. Macaulay: The price was \$2,000 per acre, plus the cost of the survey.

Mr. Troy: How many acres were bought?

Hon. Mr. Macaulay: Forty acres.

Hon. J. P. Robarts (Prime Minister) moves that the committee of supply rise and report

that it has come to certain resolutions and ask for leave to sit again.

Motion agreed to.

The House resumed; Mr. Speaker in the chair.

Mr. Chairman: Mr. Speaker, the committee of supply begs to report it has come to certain resolutions and asks for leave to sit again.

Report agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, tomorrow we will proceed with the budget debate and some of the order paper—third readings and second readings.

Mr. L. Troy (Nipissing): Mr. Speaker, I wonder, before the House adjourns, I would ask the hon. Prime Minister (Mr. Robarts) if the Ontario Northland Railway Commission will be before the committee on commissions as last year?

Hon. R. W. Macaulay (Minister of Economics and Development): Yes.

Hon. Mr. Robarts moves the adjournment of the House.

Motion agreed to.

The House adjourned at 11:50 o'clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Friday, March 16, 1962

Speaker: Honourable William Murdoch
Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

FRIDAY, MARCH 16, 1962

The House met at 10.30 o'clock, a.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature, and today we welcome as guests, students from Bradford Public School, Bradford, in the west gallery.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

THE COUNTY JUDGES ACT

Hon. A. K. Roberts (Attorney-General) moves first reading of bill intituled, An Act to amend The County Judges Act.

Motion agreed to; first reading of the bill.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, anticipating that the hon. members opposite would like the usual brief information concerning the introduction of a bill, I would state that this bill is aimed to provide the working tools to meet with the increase in the work of our courts at the county and district level particularly, I would say, in regard to some of the problems in the eastern Ontario section centring around Ottawa, and in this metropolitan centre and York centre as well as generally. The effect is that six additional county and district court judges are provided for to be judges-at-large. The bill also provides the authority to pay judges-at-large allowance for surrogate court work comparable to the allowance now paid by judges for specific counties and districts.

Hon. J. P. Robarts (Prime Minister): Before the orders of the day I would like to draw to the attention of the House the great honour that has been brought to Ontario and Canada by Donald Jackson of Oshawa, who yesterday won for Canada the men's singles champion-

ship in the 1962 world figure-skating championships.

Mr. Jackson became the first Canadian to capture the men's title. He did it with an imaginative, brilliant, free-skating performance which won him the crown, and thrilled the huge crowd in the Prague's Fucik Hall.

Our very sincere congratulations are tendered to him at this time, in which I am sure all the hon. members of the House will join me.

We also have cause to rejoice in another victory.

Maria and Otto Jelinek, of Bronte, born in Prague but now part of the Canadian mosaic and way of life, won the world figure-skating pairs competition on Wednesday. This great win for them, I might say, came as they decided that it would be the last performance of their amateur career.

We voice our best wishes to them and extend hearty congratulations on their brilliant achievement and hope their future activities will be successful and rewarding.

I think it is most gratifying that Canada and Ontario should be so well represented at these world championship competitions, and that our entries should be giving such a good account of themselves in international competition.

Mr. L. Quilty (Renfrew South): Mr. Speaker, before the orders of the day I would like to make this observation. This House will not be sitting tomorrow and tomorrow is St. Patrick's day, the day on which all Irish celebrate, and those who are not Irish join them. I may get an argument on this, but if I do I believe that my voice will back me up. I consider myself the most Irish member of this Legislature. I come from a long line of Quiltys, O'Hares, Dillons, and Murphys. My home is in Shamrock, seven miles from Mount St. Patrick. I had a brother and a sister born on St. Patrick's day—not twins. My two sons are Pat and Mike.

With this background I pay tribute to those of Irish descent and all those fine people who join us on this day to pay tribute to that greatest of all missionaries, who converted

not a few pagans but an entire nation of pagans to Christianity.

To help me in this celebration I have as my guest a lovely Irish colleen and her Scottish mother, in the person of Miss Outdoor Girl of Canada and her mother.

Mr. Speaker, through the House it gives me great pleasure to present this fine young lady and her mother—Miss Isabel (for today) “O’Gould”, and Mrs. Gould.

Hon. G. C. Wardrope (Minister of Mines): Mr. Speaker, before the orders of the day I would like, as a good Scotsman—and of course you know what the Scots are, they are great people to keep the faith and everything else they can get their hands on—but I must compliment the hon. member for Renfrew South (Mr. Quilty) and also our Irishman, the “O’Reilly” we think of so highly, the hon. member for Eglinton (Mr. Reilly).

But the reason I rose to mention this today was because last year I made the remark that it grieved my heart to go in and buy a shamrock at a store and find embroidered on it “Made in Japan”; this year I received a letter and this beautiful shamrock from the Catholic Women’s League, St. Lawrence O’Toole Parish Council, in the riding of my hon. friend from Renfrew South, and they say this:

Dear Mr. Wardrope:

Shortly after St. Patrick’s day last year I heard via the radio that you were very disappointed at not being able to find a shamrock for St. Patrick’s day. Our small CWL makes shamrocks every year to sell in our area for Paddy’s Day. So in case you find the same circumstances this year we would like you to wear one of our shamrocks with best wishes for a happy St. Patrick’s day.

Sincerely,

MRS. PAUL YAKABUSKI
President

That is a great combination of nationalities.

I might say that the hon. Minister from St. Andrew (Mr. Grossman), sitting to my left, has also a very strong streak of Irish blood running through his veins.

Hon. A. Grossman (Minister without Portfolio): Irish, just Irish.

Hon. Mr. Wardrope: I want to say this. Yesterday into my office came six Irish people from a mine in Ireland; they presented me with this and asked me if I would give it to our hon. Prime Minister

who also has a strong streak of Irish blood in his veins. It says:

Genuine shamrock from the Emerald Isle flown to you, compliments of Irish International Airlines.

I would like to present that to the hon. Prime Minister, with their compliments, as being a good Irishman too. That is for you, sir, direct from Ireland, flown in yesterday, Mr. Speaker.

Mr. A. J. Reaume (Essex North): Mr. Speaker, if I might just say a word. Mrs. Yakabuski is a very fine woman. I was up in the area not long ago, and Barry’s Bay I think is one of the finest parts of the province; but the woman who gave you this little shamrock is probably the only Tory in that town.

Mr. D. C. MacDonald (York South): Mr. Speaker, I wonder if you would permit me just a brief word. I want to join in the tribute of the hon. member for Renfrew South (Mr. Quilty), partly because nobody has ever settled the argument as to whether the Irish are shipwrecked Scots or the Scots are shipwrecked Irish. But another reason why I want to join with him this morning is that he has brought us living proof of the fact that mothers of Irish colleens nowadays are Scottish.

Mr. L. Reilly (Eglinton): Before the orders of the day, Mr. Speaker, I was wondering on just what basis our hon. friend from Renfrew South (Mr. Quilty) was claiming to be the most Irish.

An hon. member: The hon. member is not even wearing a green tie.

Mr. Reilly: I may not be wearing one but may I assure the hon. member I do have one. And tomorrow is Irish day.

Hon. Mr. Wardrope: Sure and begorrahl

Mr. Reilly: Aye, sure and ’tis that. Mr. Speaker, the reason why I question his claim to being the most Irish is that I am a member of a family of 16 and happen to be No. 13 in that family of 16. I heard him today mention six or seven people; I question whether he could come up to the number I suggest—No. 13 for Irish day.

Hon. A. K. Roberts (Attorney-General): Mr. Speaker, before we leave this subject and after the procession we have witnessed, surely the representative for St. Patrick should join this procession. However, my

calender says that St. Patrick's day is tomorrow, and I notice that perhaps it is premature or perhaps it is the funeral, but the one man who was born in Ireland seems to have some kind of a wreath or something on his desk; he himself is either laid out early or something!

All that I have to say today is before any of you gentlemen had finished shaving I was in St. Patrick station down here in the new subway addition and got off to a very good start. I did not bring my shillelagh, because I figured if anything was to be said about the Irish it should be said tomorrow, when I would use the shillelagh on anybody who particularly offended me and expect to get hit back. However, March 17 is still to come tomorrow, and before midnight tomorrow I am sure that it will be well celebrated.

Mr. L. Troy (Nipissing): Mr. Speaker, unfortunately the real Irishman is not here but I notice this beautiful plant from the ladies' luncheon club. The accompanying card says: "We dedicate it to Andy [hon. member for Dovercourt, Mr. Thompson] in memory of our great St. Patrick, and second, the good luck of the Irish"; and certainly an Irishman does not have to wait until St. Patrick's day to celebrate anything.

Hon. Mr. Grossman: Mr. Speaker, I did not plan on paying tribute to the Irish today because my forte, as the hon. members very well know, is St. Andrew's day. However, seeing as how there has been so much discussion about who has the most Irish, I invite the hon. members down to 55 Lakeshore Boulevard East.

Hon. T. R. Connell (Minister of Public Works): Mr. Speaker, if I may bring the Irishmen and the would-be Irishmen back into the realm of reality, I would like before the orders of the day to make an announcement regarding a matter which will affect not only all hon. members of this House but all persons doing business with the Ontario government in Toronto. When the hon. members return to these buildings on Monday they will find a new telephone system in operation which will be the most modern available to us at this time.

By way of explanation I would say that, in effect, the government will have its own telephone exchange covering most of the telephones in the metropolitan area. It is a service called "Centrex" by the Bell Telephone Company and it enables a person calling in from outside to dial directly to

the office of the person he is calling, instead of having the connection made by a switchboard operator. It is much the same as the change that has been made in most Ontario communities from manual operation to dial telephone.

In line with the Bell policy of instituting all number exchanges, the government telephones will have the prefix 365, easy to remember as the number of days in the year. This will be followed by a four-digit local. To reach my office a person outside the buildings will simply dial 365-1101. To call my office from inside the building a person would simply dial 1101. This new system we hope will take care of more than 75 per cent of telephone calls made into the government and there are some 15,000 calls made daily. For persons not knowing the number of the person they are calling, there will remain the EM 3-1211 general number. This will become known as 363-1211 and will be serviced by a staff of highly-skilled operators who are being specially trained to provide information service for callers.

These operators will also have more time to assist people calling into the government who are not quite sure what department or branch deals with the problem they are calling about. By now, hon. members will all have seen and, I trust, studied the new telephone directories which have been distributed. These will be replaced on at least an annual basis and I hope will prove to be more convenient and useful than the previous directory.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, before the orders of the day there is a matter that I would like to draw to your attention. Mr. Speaker, this morning when we assembled, we found on our desks copies of the Ontario-St. Lawrence Development Commission report and the Ontario Research Foundation report, and the Ontario Northland Transportation report. Now I think we could anticipate certain literature yesterday as a result of what the hon. Minister of Economics and Development (Mr. Macaulay) told us, but I would point out to you, Mr. Speaker, that it does seem to me extraordinary that these particular reports, unlike economic reports generally, or compilations of statistical information, should be presented the day immediately following the consideration of the estimates. I will concede that many of these reports are complicated and take time and preparation, but it does seem to me that a little bit of foresight would have assured that these reports

were made available to us prior to the time that these estimates were considered yesterday. It is more than coincidental that they should be ready the day immediately following.

Mr. Speaker, the point I rise on is simply this: we have had a lot of talk about the purpose of the Opposition, its functions and its operations. I assure you, Mr. Speaker, that I think there is genuine feeling on all sides of the House that we want to improve the operation of this House, and I point out to you that the Opposition has a purpose and a function and a real responsibility. It is not always a pleasant responsibility, but it is in our system a real one, and a purposeful one, and a meaningful one. In this respect I am not being personally critical at all, but I am saying objectively that this does not lead to the better performance of government of the province of Ontario, and certainly handicaps in a substantial way the facility and the operation of the Opposition.

With these reports in our hands three or four days ago, a more intelligent, knowledgeable and objective presentation could have been made by the Opposition; and I draw this to your attention, Mr. Speaker, because this is not the first time it has happened. But I certainly hope that we can have your assurance that you will use your good offices to assure us that this is the last time it will happen.

Hon. R. W. Macaulay (Minister of Economics and Development): Well, Mr. Speaker, since I feel some responsibility in this matter, I would point out that this morning, on the hon. members' desks, there is no statement of the Ontario Northland Railway; that is not yet ready—what they have is a quarterly staff publication that is published.

Now the difficulty with these reports is that they are done to a large extent in relation to the chartered accountants who do the books of these various commissions. Some of these are large commissions and one of the problems of having these reports ready is just a question of timing, and staff, and getting these things done. Quite frankly, it was only yesterday or the night before, I think late, that I got the copies, in sufficient quantities, of the Ontario-St. Lawrence Development Commission and also of the Ontario Research Foundation reports.

I will, however, say to the hon. leader of the Opposition (Mr. Wintermeyer) that I think that his point is quite well taken; it is desirable to have these things as far in advance as we can, but I want hon. members also, if

they will, to take a look at some of these reports and realize how much work goes into the preparation of them. Nothing can be done until the books close at the end of the year, and that is, to a large extent, a matter of accounting. Hon. members will also note that the public accounts, for instance, for the year that has ended here in this province is not available yet. I would think that very few companies have yet reported their financial statements to the federal government on the year ended December 31, 1961. This is a great problem to handle.

However, I assure the hon. leader of the Opposition, Mr. Chairman, that being in the department earlier—I came in in November, and it was impossible then to attend to all the things that I would like to have done—but I am hoping next year that I will have these available before my estimates come down. I think that the Ontario Northland Railway report will be very difficult to get ready in time. It may not be ready before the House rises this year.

Hon. Mr. Robarts: Well, Mr. Speaker, I would just like to speak to this question for a moment. It has been a matter of consideration and discussion in previous years here in the House, and in the last three or four years there has been a concerted effort made by the various departments to get their annual reports out at least prior to budget time and I think the hon. leader of the Opposition (Mr. Wintermeyer) will agree with me, that the situation is a great deal better today than it was five years ago. The pressure is still on—if I may put it that way—to ensure that these reports are brought before the House and are in the hon. members' hands prior to the time the estimates are considered.

But I would also point out to you that there is a great deal of difficulty in time-tabling the affairs of the House in order that we may get the business of the province done, and that it is not always possible to hold up the estimates of any particular department awaiting the arrival of a report, which arrival might be somewhat indefinite. But even there we are attempting to time-table the estimates, in order that the greatest amount of information possible may be in the hands of all the hon. members before the estimates of any department are considered.

Mr. J. Chapple (Fort William): Mr. Speaker, could I ask the hon. Prime Minister (Mr. Robarts) a question on this? Would it be possible, when the hon. Ministers bring down their estimates, if all the information is not

given to us at that time, that he tell us the situation so that we will know that it is either coming soon or will be on our desks; the actual information concerning all this, everything that is being developed for his particular department.

Hon. Mr. Robarts: I think it would be quite possible for an hon. Minister, if his most recent report is not available, to tell the hon. members when it would be available.

Mr. M. Belanger (Windsor-Sandwich): I would just like to ask a question of the hon. Minister of Economics (Mr. Macaulay). This publication, to whom does he send it? Where does it go?

Hon. Mr. Macaulay: I discussed this with the hon. member last night. That is a publication which is sent to Europe, England and the United States; and also areas of Ontario and other provinces of Canada.

Mr. Belanger: Does he send it to the industries of Ontario?

Hon. Mr. Macaulay: We send it to people whom we think are interested. In effect it shows opportunities to do business here in Ontario. Our purpose is to send it to people in areas that we think will be interested in coming into Ontario to do business.

Mr. Speaker, I would like to table, as I desired to do last night and omitted so to do, the annual report of the Ontario-St. Lawrence Development Commission.

Mr. Wintermeyer: Mr. Speaker, before the orders of the day, I have a question and I direct it to the hon. Prime Minister (Mr. Robarts).

Is the hon. Prime Minister aware that Mr. Thomas Graham, whose appointment to the Ontario police commission was announced in the House by the hon. Prime Minister on March 13, was and may still be a director of Mexicana Explorations Ltd., an Ontario company?

Two: is the hon. Prime Minister aware that Mexicana Explorations Ltd. has been listed since June 27, 1960, by the United States Securities and Exchange Commission as a company whose securities the commission believes have been distributed in the United States in violation of The United States Securities Act?

Three: is the hon. Prime Minister aware that the secretary and a director of Mexicana Explorations Ltd. was, and may still be,

Mr. Lewis Herman, a Toronto barrister whom I identified in the House on November 29, 1961, as a solicitor for a great many chartered clubs which have been used for illegal gambling? Is he also aware that Mexicana Explorations Ltd. was financed by Mexicana Prospecting Syndicate, of which Mr. Louis Herman was the promoter?

Will the hon. Prime Minister inform the House who recommended Mr. Graham's appointment to the Ontario police commission?

Hon. Mr. Robarts: Mr. Speaker, I am aware that Mr. Graham was a director of Mexicana Explorations Limited, I am aware that this company was placed on a restrictive list by the United States Securities and Exchange Commission. I am aware that Mr. Louis Herman was a director and officer of this company and I am not aware of the full particulars of the financing of the company.

Mr. Speaker, I would say that the hon. leader of the Opposition (Mr. Wintermeyer) has made an obvious effort, in this question, to associate Mr. Graham with the allegations of crime made in this House by the hon. leader of the Opposition in his speech of November 29, 1961, to which he refers in the third question.

The questions, and the way that they are worded, are obviously designed to cast doubts upon Mr. Graham and his position on the Ontario police commission. Mr. Graham, a former member of this assembly, is unable to appear here and defend himself against this innuendo. However, Mr. Speaker, I have a letter from Mr. Graham which will establish his position in this matter. I propose to read this letter and to table it.

Dear Mr. Robarts:

I was indeed pleased and honoured by my appointment to the newly formed Ontario police commission. I have indicated that I am prepared to give as much time as necessary to do all that I can to further the purposes of the commission. I am impelled by a desire to be of service to the public in this way, as I hope I have in other ways, in the past.

It is with deep regret that I have been informed of a question which the hon. leader of the Opposition indicated he wishes to ask you before the orders of the day.

I wish to give you the following information:

1. I have not been a director of Mexicana Explorations Limited since the latter part of 1960.

2. In October of 1956, Mr. Louis Herman, QC, who resides in York Centre riding, which at that time I represented in the provincial Legislature, and who had taken an active part in my election campaign, invited me to go on the directorate of Mexicana Explorations Limited, a company which had to do with a mining venture in Mexico.

3. It may be of interest to note that a part of the ground acquired by the company was formerly Cinco Mines, a silver mine in which not only the Spaniards many years ago, but much more recently the late John W. Gerard—one time American Ambassador to Germany—were interested. I was informed that introductions to the Mexican interests prior to the acquisition by the Mexicana Company were facilitated by two Cabinet ministers of the late St. Laurent government.

4. Before accepting the invitation to go on the board, I asked for and received assurance that everything was in order in connection with the company's organization and business methods.

5. I took no active part in the enterprise, but had confidence in the board, particularly by reason of the fact that on it were an hon. member of the federal Parliament and the sister of the then Lieutenant-Governor of the province of Ontario.

6. The prospectus of the company was accepted for filing by the Ontario Securities Commission early in 1957 and was twice renewed, the last renewal being in February, 1960. It has not been further renewed and therefore has not been in primary distribution for some time.

7. There was never any extensive public distribution of shares. A number of those associated with the enterprise purchased substantial quantities to assist the financing of the company. I myself, however, never invested in the company, nor received anything from the company.

8. I am informed by the chairman of the Ontario Securities Commission that the company record is, and always has been, clear as far as the commission is concerned.

9. I understand that the company was, like a great many other Canadian companies, following a certain procedure adopted by the United States Securities and Exchange Commission, placed on a restricted list. This, I understand, is done without notice and does not necessarily mean that there has been any misdeemeanour.

10. As a matter of fact, in connection with this particular company, I resigned as soon as I learned that it had been put on a restricted list and actually I am informed that it has now been removed from the said list.

11. As far as Mr. Louis Herman is concerned, I never have had any reason to believe that he was anything but an honest person. I have never myself been a client of his or had any dealings with him either directly or indirectly, except in connection with the association mentioned above in relation to this company which ceased in 1960.

Yours truly,

Thomas J. Graham.

Mr. Wintermeyer: Mr. Speaker, on a matter of privilege. May I simply say that this explanation is quite valid and is the sort of thing that we would expect. But I must point out to you, Mr. Speaker, that the hon. Prime Minister (Mr. Robarts) suggested that I was trying by innuendo, I think he suggested, to associate—

An hon. member: If not, keep quiet.

Mr. Wintermeyer: I was not. Mr. Speaker, I am the leader of the Opposition, I have a responsibility to be here. In every other parliament there is an opportunity to make question. This question has been made and a good answer provided; that is all I am asking. We are an institution, we are an assembly, that is required to publicly make certain investigations and certain questions. I made it and I have a—

Hon. H. L. Rowntree (Minister of Transport): But the hon. leader of the Opposition abused it—

Mr. Wintermeyer: I did not abuse it. I have an answer here and, Mr. Speaker, until we grow up and realize that there is a proper time and place to do this sort of thing, then this type of comment back and forth is going to persist. I for one want to rid this Legislature of that type of innuendo.

This was a legitimate question, it has received a legitimate answer and I accept it. But, Mr. Speaker, I suggest to you that all those interested in political life here recognize in the United States a specific facility is made to give an opportunity to the Opposition to make these questions at a specific time; here, this is the only opportunity we have. I exercised it in my official position, Mr. Speaker, and we have the answer this afternoon.

Mr. Speaker: Orders of the day.

Resuming the adjourned debate on the motion that Mr. Speaker do now leave the chair and that the House resolve itself into the committee on ways and means.

ON THE BUDGET

Mr. J. H. White (London South): Mr. Speaker, it is a pleasure to join in this budget debate and to join those who have already welcomed the five new hon. members to this Legislature.

I recall two or three years ago, Mr. Speaker, coming here for the first time and being very puzzled about almost everything that was to be found in these buildings. I am reminded, Mr. Speaker, that I thought at that time there should be some sort of instruction booklet available to new members, so perhaps I could make that suggestion to you. Perhaps some small sum of money could be made available to one of the members of the press gallery and perhaps they could write a primer on Queen's Park which could be made available to people when they come here for the first time.

Mr. Speaker, the five new hon. members, and indeed all hon. members of this House, have witnessed a rather remarkable performance in this House in the last week or two; a remarkable performance, Mr. Speaker, by the NDP financial critic and the NSF party spokesman.

The Liberal financial critic presented what might be called a latter day Doomsday Book, and the NDP financial critic read what could be entitled post-Argue neo-capitalism or Galbraith revisited.

An hon. member: Hear, hear!

Mr. White: While listening to the hon. member for Bruce (Mr. Whicher) give his budget speech, some of us were saying "The Liberal Party should have given him some help in preparing that criticism." Imagine our surprise when we learned from the newspapers that the financial critic had the assistance of 12 Liberal economists and accountants. These must be the same men who provided the country with so much amusement when they gathered at Kingston a year or two ago to remake the Liberal Party.

Mr. T. D. Thomas (Oshawa): How many were there?

Mr. White: Twelve, yes. I have the article here.

Mr. R. M. Whicher (Bruce): The hon. member has bats in the belfry.

Mr. White: The results of that convention in Kingston, hon. members may recall, were considered a fiasco even by the Liberal leadership.

With the kindest of intentions, I suggest that the hon. member for Bruce be left to produce his own criticism. While it may not have had too much intellectual content in the past, it did have sincerity of purpose which appeared to be missing from the latest rendition of the "blues" by his friends in the Liberal glee club.

Mr. Speaker, I suppose this bat is going to be here all day. If it has provided sufficient amusement to the hon. member across the way, they may be interested in hearing certain comments which I want to make about the inadequacies of their criticisms. This is typical of the way they let themselves be distracted by momentary diversions. I hope they will do me the courtesy of listening to my critique as I listened to theirs, painful though it was.

May I spend a few moments pointing out some of the more serious mistakes in this year's Liberal criticism?

Early in his remarks, the hon. member said "We Liberals smell the scent of victory." This brave claim was in marked contrast to the statement made by the hon. leader of the Opposition (Mr. Wintermeyer) as reported in the *Globe and Mail* of August 5, 1960, which reads:

WINTERMEYER MUM

ON CHOICE OF CANDIDATE

Liberal leader John Wintermeyer called for victory in Timiskaming to show the province that the tide has turned toward Liberalism.

Upon this by-election hangs the future of the Liberal Party in Ontario, he said.

Mr. A. J. Reaume (Essex North): That is ancient history.

Mr. White: I myself have to agree with the hon. leader of the Opposition in this dispute and I am confident that our efforts, together with his own, will prove the accuracy of his forecast.

The hon. member for Bruce accused the government of "cooking the books." As a businessman he should have known better and as an hon. member of this assembly he should have spoken more responsibly.

The changes in the accounts receivable and accounts payable accounts, 1960 versus

1961, are absolutely meaningless when considered by themselves, as the hon. member attempted to do. The increase or decrease of one or several asset or liability accounts means nothing at all in judging the success and profitability of a year's operation.

To use his own example, if a businessman increased his bank balance by \$100 during the year he could well conclude that he had made \$100 profit for the year, notwithstanding an increase in unpaid bills, providing his total assets had increased \$100 more than his total liabilities. This effort to discredit the operating surplus by isolating two of several dozen asset and liability accounts is misleading in the extreme.

The fact is that the consolidated surplus realized during the fiscal year ending March 31, 1961, as expressed in business terms, would be the operating surplus plus the increase in fixed assets—a total of \$64.2 million. This is what we who are businessmen would call an operating profit. In business we would then deduct the non-cash expense of depreciation to give a net profit.

In effect, the government does the same thing by transferring certain funds from ordinary account—in effect expensing some of the increased investment in fixed assets—and at the same time setting up a reserve against fixed assets. If I may call the total of these two amounts depreciation for a moment, it will be seen that the government has depreciated its fixed assets by an average of about \$87 million per year during the fiscal years 1957-1962.

I further calculate that this is a straight line depreciation rate of four or five per cent, which is likely the equivalent of a seven or eight per cent annual depreciation on reducing balance.

When it is considered that the federal government permits private corporations a five per cent depreciation rate on decreasing balance on this type of fixed asset for tax purposes, it must be concluded that the provincial government has used sound accounting principles and techniques and has stated surpluses in moderate fashion after judiciously increasing reserves for depreciation. It is a truly remarkable record for the period of growth concerned.

Mr. Speaker, the hon. member for Bruce delights in the increase to the provincial debt of \$423,929,000—this is his figure for the past five years—but does not point out that the fixed assets increased by nearly \$1 billion—the difference of nearly half a billion dollars once again being what businessmen would call the operating profit for the period.

The provincial auditor's certificate was quoted in part to suggest that he was uneasy about the annual report. The hon. member knows full well that the fiscal statements of any substantial business operation include explanations, classifications and conditions. The provincial auditor states:

The balance sheet, statements of revenue and expenditure and other related statements are properly drawn up in accordance with generally accepted accounting principles.

Does a single hon. member opposite honestly believe that the provincial auditor would continue in that post if he were not well satisfied with the accuracy of the figures presented in the public accounts statements? Of course no one believes such a thing, or cries for resignation would be echoing in this chamber today.

The hon. member for Bruce (Mr. Whicher) has referred once again to the sales tax and to their party's exemption plan. The people of this province cannot be expected to place their confidence in a group that forecasts enormous debt increases for 1971 while promising greatly increased expenditures and lower taxes.

Mr. Whicher: I did not promise anything.

Mr. White: Well, the hon. member's colleagues are promising to pay for all the cost of education, to pay for everything else that comes their way. As recently as last weekend in Chatham, at the Liberal convention which the hon. member may or may not have attended, they promised almost everything they could think of—everything that costs money.

The fallacy in the Liberal sales tax plan has been described in detail several times in recent months and it would be redundant for me to assess this plan again. In fact, the hon. member for Bruce himself admitted a purchaser determined to avoid the tax would be able to do so. May I simply say that the so-called Wintermeyer plan is not easily rationalized with their financial critic's forecast of financial ruin. Once again the Liberal party of Ontario is consistent only in its inconsistencies.

The hon. member for Bruce referred to the civil service, hoping, I suspect, that they have forgotten that the last Liberal regime fired more than 3,000 civil servants without cause. He advocates higher salaries while implying reduced expenditures, so it may be that similar wholesale dismissals are part of the unannounced plans of the Liberal glee club—that secretive, shadowy group of Liberal

advisors who claim to be so rich in intellect and who have proved to be so poor in faith and reason.

Mr. Whicher: The hon. member is cooking words now. That is utter nonsense.

Mr. White: Mr. Speaker, the hon. member for Bruce complains of Ministers without Portfolio, but does not recall to our memories the good use to which Mackenzie King put four Ministers without Portfolio.

Mr. Whicher: Does the hon. member remember that?

Mr. White: He complains of the number of government departments but does not state which departments he would abolish, while other hon. members of his caucus promise a Department of Industry and a Department of Northern Affairs. He complains of the cost of acquiring land for highways yet would be the first to urge higher prices be paid in the name of justice to his farmers for their property. He asks: "What has the government done to ease the municipalities' education costs except wring their hands?", while conveniently forgetting that the \$34 million spent by the Liberals on education in 1943 has been increased nearly tenfold by a government that recognizes today's well-educated young people are the fountainhead of our future prosperity.

He compares Canadian university enrolment with American figures which include our grades 12 and 13 pupils, Teachers' College, business school and technological students. He compares government departmental expenses, rounding off percentage points so that 1.5 per cent and 1.9 per cent appear as being unchanged at 2 per cent, but he omits The Departments of Health, Highways and Education, even though they are the largest departments of government, because they do not fit his fanciful theories.

He forecasts expenditures for 1971—which should provide this House with some jolly moments of recollection at that time—but does not mention that the net personal income in Ontario is likely to reach \$18 billion to \$20 billion. He dwells on possible deficits while discounting Ontario's future expansion, and chooses to ignore the fact that today's debt equals one and a half years' revenue compared to the six year debt pay-out of 1939-1940. He forgets, apparently, that in the late 1930's the net capital debt was 29 per cent of total personal income in this province compared with 10 per cent today.

Even if his dismal forecast of debt were right, the 1971 net capital debt would be

nearly one-third less in relation to net personal income than when the Liberals were in power.

He urges contra-cyclical budgeting but must know that no province has the tax base to put this theory into practice.

Comparing capital investment, he carefully selects the years 1951 and 1959, but the fact is that Ontario's share of the nation's capital investment was fractionally higher during the five years ending 1961 than it was during the five years ending 1956. He details carefully selected unemployment figures but will not reveal recent improvement in unemployment or admit that Ontario's record has been far better than either Canada as a whole or the United States.

He complains that housing completions were down in 1960 but does not tell us that housing starts were up. He looks at the employment chart A15 in the economic report and states the percentage of the labour force engaged in primary and manufacturing industries is down, failing to point out that offsetting increases were experienced in trade and services.

After this 50-page attack on the province's resources, credit standing and future, what suggestion did the hon. member for Bruce have to offer this House? Let me remind him:

(1) He would expand the growth rate by encouraging increased capital investment, but he overlooks the fact that the 20 per cent Ontario rate compares with the U.S. rate of 17 per cent and that this government is doing everything humanly possible to maintain and expand this growth.

(2) He suggests that the province exert a powerful influence in securing growth but does not acknowledge that this is exactly what the government is doing through the Ontario Economic Council. And may I just say at this time that I for one, and I am sure most every hon. member of this House, was impressed by the 20 points brought forward the day before yesterday by the hon. Minister of Economics and Development (Mr. Macaulay), a most remarkable and imaginative, a most encouraging, programme for the future development of this province, a programme that pales the Opposition criticism—

Mr. Whicher: It pales the past of the Tory party.

Mr. White: It pales the programmes that are put forward here and shows them to be completely inadequate, completely lacking in faith in this province and in its future.

(3) The hon. member for Bruce (Mr. Whicher) advocates a searching review and reshaping of the entire tax structure by federal and provincial authorities but he did not say that this is exactly what the hon. Prime Minister of Ontario (Mr. Robarts) has been urging time and time and time again for months, with the growing support of businessmen and taxation authorities in all parts of the province.

(4) He suggests an Ontario development fund but must know that this idea was suggested by hon. members of the government months ago and is being studied intensively right now.

(5) He says the Ontario government should induce automobile manufacturers to cease or decrease parts importation but ignores the Bladen report and the fact that tariffs are a federal responsibility.

(6) The hon. member suggests retraining labour but ignores the revolutionary expansion—yes, the revolutionary expansion of trades, technical and technological training in Ontario during the past 18 months. May I say here, sir, that I still do not know what the Liberal policy is in the matter of technical education.

An hon. member: Nobody else does.

Mr. White: I think it was January 24 or 31, 1961, that the hon. leader of the Opposition (Mr. Wintermeyer) was quoted at great length on the bottom of the front page of the *Toronto Globe and Mail* to the effect that he did not think technological education was perhaps the answer. He thought more trades training was the answer. And now, in more recent weeks, we find spurious complaints against trades training, as if even automation, as if even electronic equipment, is going to do away with every internal combustion engine in the world or against people getting haircuts, etc., etc., etc.

I think that the hon. members of the Liberal party would be doing the people in this province a great service if they would say what their policy is concerning education and technical education. I do not know, and they do not know, and the people of this province do not know.

Mr. Whicher: The hon. member will find out soon enough.

Mr. White: It is different every week; it is different with every speaker.

Mr. Speaker, these suggestions, all of which have been or are being implemented by the present government, are called the policies

and programmes of the Liberal party, which forces us to conclude that, while they speak in terms of 1971, they think in terms of 1941. There is not one single new constructive idea or criticism in the 66 pages of verbiage and carefully selected statistics produced by the financial critic, his colleagues, and the Liberal glee club. When he states that these are the policies and programmes worthy of the people of Ontario he deceives himself and insults the men and women of this province.

Mr. D. C. MacDonald (York South): Would the hon. member permit a question? Did I understand him correctly to state that the government is putting into effect the programme that the Liberals are advancing and this is proof that the Liberal programme is equivalent to 1941?

Mr. White: Well, the hon. member has misconstrued that deliberately. I worded that with the greatest of care so that mistake could not be implied.

Mr. MacDonald: I was listening carefully.

Mr. White: I am saying purely and simply that the Liberals have seized upon six of 100 good ideas that this government is working on and is implementing—

Mr. MacDonald: You have proven well that your policies—

Mr. White: Well, feel free to read this in *Hansard*, and I think—

Interjections by hon. members.

Mr. Speaker: Order. I would point out to the hon. members of this House once again that all members will have an opportunity to speak in this debate, and I am going to see to it that those who do speak obtain order.

Mr. White: This Liberal programme has the strength and consistency of a mouthful of warm tapioca. It is not worthy of the remains of the once-great Liberal party, let alone the province as a whole.

Now, Mr. Speaker, I should like to mention some of the galloping Galbraithian theories of the hon. member for Woodbine (Mr. Bryden). It should be said at the outset that while the NDP financial critic talked in terms of concerted federal-provincial action in each of his five major proposals, the fact is that the federal government has almost 100 per cent of the responsibility and authority to implement these ideas.

This is not to say that the hon. member

for Woodbine was ill-advised in putting these suggestions forward in this place. In my judgment, it is entirely suitable and even desirable for a provincial member to offer suggestions in this Legislature on matters of national concern. On the other hand, it is likely not desirable that prolonged debate be undertaken here on such national affairs and I do not propose to enter into detailed discussion.

I cannot resist the observation that the CCF, having failed once again to attract widespread support by changing its name, now seems determined to woo the Canadian electorate by changing its clothing. The raiments of the Regina manifesto—1933 model—were thrown aside, tattered and torn, when the 1956 Winnipeg mantle was put on. This garb in turn was replaced by the new look of the Ottawa declaration of 1961. Now the hon. member for Woodbine wants to change the suit again in a desperate effort to attract the public fancy.

The Woodbine manifesto of March 9, 1962, is a radically different style from its fore-runners but the label is the same. It is the continuing label of class antipathy that revealed itself time and time again during the hon. member's speech, and it is this label of class antipathy that alienates the support of the Canadian people in the market place, or should I say the polling places of the province.

Mr. Speaker, I congratulate the hon. Provincial Treasurer (Mr. Allan) for a budget that is exciting while sensible, expansionist while businesslike, and dynamic while responsible.

I congratulate the hon. Minister of Economics and Development (Mr. Macaulay) on an economic statement that reflects his own great ability, his own vitality, energy and dedication. While his courage and character are such that he needs no defender, I am compelled to say and to deplore the fact that the Opposition attacks on this hon. Minister are becoming maliciously unfair in quality and quantity.

The economic statement refers to the European Common Market and enumerates the potential advantages and disadvantages to Ontario. The hon. Minister's approach is a constructive one, as hon. members would expect from this extremely capable public servant. He said:

As standards of living rise in western Europe, there will be large potential markets and greater opportunities for exporters of consumer goods as well as industrial raw materials.

Walter Lippman thinks that Britain's entry into the European Common Market will be the most significant world event in decades, dwarfing the Berlin crisis and all other similar temporary crises. I would like the hon. Minister of Economics and Development to consider appointing one or several of his senior economists to spend all of their time studying the European Common Market and scrutinizing its expansion and evolution.

Our economic well-being may depend to a large extent on our ability to adapt to changing world markets, and the European Common Market is going to be the key to this revolutionary development. Our industries deserve to be extremely well-informed and assisted to the full by our government, and we in Ontario cannot do too much to prepare them in this way for changing competitive conditions.

Mr. V. M. Singer (York Centre): Mr. Speaker, I wonder if the hon. member would permit a question?

I wonder if he agrees with the Ottawa theory on the common market, or the Macaulay theory?

Mr. White: I believe that the European Common Market is going to be of immense concern and direct economic influence to every hon. member of this House and every member of the Ontario public. And I think that if we in this government, or governments elsewhere than Ontario, fail to keep very well informed, fail to keep our policies and programmes flexible and changing to meet this changing pattern of world trade, we will have failed the people in our economy. As a matter of fact, I am amazed that the financial critics have not spent a great deal of time on the European Common Market; the reason, of course, is that once again they have failed to recognize the really important changes that are taking place in the world. They have failed to keep in touch with it and, of course, the penalty is going to be continued apposition.

The economic report states:

Our merchandise trade deficit with the US as well as our deficit on tourist account are matters to which we must give increasing attention.

Without offending our American friends, I wonder if we could not encourage some of those who seek warmer climes at this time of the year to go to British Commonwealth resort areas in the Caribbean rather than to the southern States. It used to grieve me some years ago to see members of the federal government flock to Florida, and I seem to

note an encouraging switch in recent years to the Bahamas and other Commonwealth countries. It is not the money that these style leaders spend themselves that is so important; what is important is the money spent by the thousands of people who follow their example.

Since it is more difficult and expensive to get to Bermuda and other islands, the government might find a way to encourage low-priced excursion transportation for tourists who otherwise would drive to Florida. Exactly how this could be done I do not know, but perhaps some other hon. member of this House can enlarge on the nucleus of this idea.

Another quotation from the economic report reads:

Development of quality control techniques and the improvement in design constitute objectives at which Canada and Ontario industry must constantly aim.

The Japanese, I understand, have established a powerful quality control export committee which approves or prohibits goods being exported so that their exports will enhance rather than detract from the newly-acquired Japanese reputation for quality. A like committee in Ontario perhaps would not coincide with our philosophy of free enterprise, but the new Ontario Economic Council should establish a subcommittee to study at the very least the desirability of establishing a quality-control committee to encourage research and stimulate improved design and better production of consumer goods for export. The hon. George Drew suggested federal tax incentives for this purpose eight years ago, and the merit of this approach seems more obvious with each year that passes.

Mr. Speaker, the new budget reinforces my firm belief that Ontario stands on a new threshold of bold achievement under the leadership of a new government whose depth of purpose and breadth of vision is quickly becoming known to our people.

I was pleased to learn that the government had underspent its budget in the fiscal year 1961-1962 by introducing economies and improving efficiency, thus saving the taxpayers of the province \$34 million. The careful scrutiny given every expenditure by the Treasury board is well known to every hon. member on both sides of this House, whose whose own ambitions for personal requests have failed to pass the severe test of Treasury board investigation. This same hardheaded business approach has enabled the government to expand its essential services for 1962-

1963 in the fields of education, health and welfare, without any additional taxes, or increase in existing taxes. This news was greeted with huzzas by the press and public of the province. There is the headline from the *London Free Press*:

RECORD BUDGET HOLDS NO TAX BOOSTS

This news was greeted with huzzas by the press and public of the province, and so the new Prime Minister and his new government move from strength to strength in an ever-progressing programme of human betterment.

The Treasurer's declaration that: "This year's budget like its predecessors, has been formulated to exert a positive effect upon the Ontario economy," was borne out by the policy statements and fiscal information that followed. Investment in the education of Ontario youth increased \$61 million to \$330 million, thereby accounting for half of this year's budgetary increase.

Investment in health and welfare is increased by \$19.2 million to a new total of \$205 million. One exciting innovation was the introduction of special bursaries for medical and dental students willing to serve in outlying areas of the province. Very imaginative, and I congratulate the government on it.

Enlarged also were the out-patient services provided under the Ontario Hospital Services Plan. The cost of this improvement is likely to be offset by the savings in hospital beds.

Interjections by hon. members.

Mr. Speaker: Order. I would call to the attention of the hon. members of this House that quietness must reign while a member is speaking. Once again I say that other members will have their opportunities. Other members, indeed, have had their chances to speak, and when they have I have preserved order and I intend to do it this morning.

Mr. White: The cost of the enlargement of out-patient services is likely to be offset by the savings on hospital beds—reduced capital maintenance expenses in that other direction.

This is what I call good business. This is what I call good government. Listen to just a few of the important provisions of this new budget: new five year plan for economic development; 200 more provincial policemen; broadened exemptions in retail sales taxes and simplified collection pro-

cedures for small retailers; stabilized hospital insurance premiums; new low-rental housing plans; increased pensions for those qualifying for old age assistance, blind persons' and disabled persons' allowance; additional assistance for northern Ontario enterprises; additional assistance once again for the municipalities of the province; and on and on it goes—an endless list of bold achievement.

The hon. members of this House will agree with me, I am sure, Mr. Speaker, that the new hon. Prime Minister (Mr. Robarts), with his wisdom and stability, the hon. Treasurer (Mr. Allan) whose dignity, ability and integrity illuminate this House, the hon. Minister of Economics and Development (Mr. Macaulay) whose vision, initiative and dedication are an inspiration to all members of this Legislature—yes, sir, we all agree that these hon. Ministers and their distinguished colleagues in the Cabinet are leading this province to greater accomplishment, greater prosperity, and greater glory for all of the people of Ontario. Mr. Speaker, Ontario is “A-OK,” and the economic signal is “GO.”

Mr. W. B. Lewis (York-Humber): Mr. Speaker, after the storm comes the tranquil waters quietly down the stream. Mr. Speaker, as this is the second time this session I have addressed you, the felicitations I conveyed to you before, of course, still apply in this instance.

In speaking on the debate on the budget, I will be very brief. But I would be remiss if I did not bring to your attention what I consider the rather precarious and deviating course of Metropolitan Toronto.

Metropolitan Toronto, Bill No. 80, was the master production of three outstanding and able men. It took Lorne Cumming to build it. It took the former hon. Prime Minister (Mr. Frost) to make it. And it took “Big Daddy” Gardiner to carry it out. That was some years ago. Metro has since become a successful international curiosity, to the extent that everybody from Tokyo to Winnipeg is or has been studying the system. But it is becoming obvious now that the Metro system, to some degree, has outlived its very useful beginning.

Let us face the facts!

Downtown Toronto—Bay Street if you want to identify it as that, but I defy anybody to actually define what Bay Street is—downtown Toronto is a tremendous asset, not only to Toronto but also to Metro, Ontario and the whole of Canada. But

along with progress and development, the trend of concentration is changing. There is already a full flight of industry and business to new locations in the suburbs.

We as legislators cannot let that great asset of downtown Toronto, the very heart of this great metropolis, deteriorate as it very well could.

Metro is now faced with multi-million dollar expenditures on expressways and subways, as well as all the other commitments that Metro was set up for. On one hand The Department of Highways has decreed in its wisdom that the Spadina Expressway must be constructed to Bloor Street in its initial phase, with a Spadina subway extension. On the other hand, the Ontario Municipal Board is strongly suggesting that Metro make a very complete reappraisal of all its financing. Not only the projects it is already committed to, but also TTC projects which the TTC now admits can no longer be carried out without raising fares to the point of diminishing returns.

Obviously Metro has reached a new stage in its development.

Metro is no longer a super municipal government, although like any municipal government Metro is always a creature of Queen's Park.

Metro is now something between a municipal and a sovereign Ontario government.

There is still plenty of wealth in downtown Toronto, at least enough to pay the costs of works such as subways, expressways, etc., to maintain and guarantee downtown's Toronto essential existence. The question is: how do you tap that great wealth?

The answer must lie with this government. Either it gives Metro a broader tax basis, to be applied where Metro sees fit, and get the monkey off the residential taxpayers' back, or it gives Metro the money from provincial revenues to do the job Metro has to do. It must be one way or the other. A special Metro tax, or special grants to Metro. There appears to be no other solution, Mr. Speaker.

Since no one really expects any government to farm out its taxing powers, the grant system on a special basis appears to be the overall answer.

In conclusion, Mr. Speaker, it is my opinion that Metro government is in a state of transition and economic and political evolution. No one expects to produce an answer overnight to this great problem. However, my people do expect that our government will grapple with this situation, and come up

in the near future with—if not all the answers—at least the solution to some of the problems involved.

Mr. J. Chapple (Fort William): Mr. Speaker, I rise to speak, sir, on this budget debate.

When the speeches to the Throne were completed during that particular afternoon I happened to be flying over the city of Toronto and over this Legislature. The plane that I was in, because of a 500-foot ceiling, was unable to land. The pilot informed us that if we could not land in Toronto—of course he said he would try to land and after zooming back and forth he finally decided it was too tough—we would try to land in London and if we did not land in London we would land in Cleveland. Fortunately I was able to land in the riding of the hon. member who spoke just before the last speaker—whether the airport is in his particular part of the riding I am not sure. However, we landed safely in Toronto after the low ceiling had moved off to the east.

An hon. member: He is still up in the air.

Mr. Chapple: I would like to talk a little bit about the problem that the government seems to have in being economical in its spending. During the length of time I have been here I have been very worried about this feature of government and have tried on most occasions to assist through a certain amount of criticism, although I have always tried to make it constructive.

But before I go on with the gist of what I was going to say, I would like to inform the House that a matter reached my desk this morning concerning the particular problem the government seems to have—I do not see why it should—but seems to have, in spending money in such amounts that seems to be more or less, at least in my opinion, to a great degree more than is absolutely or actually necessary.

This refers to a farm which is in my particular area. In the Tuesday issue of the *Port Arthur News Chronicle*, this statement is made. This is of course, a federal concern but it is a good indication of the type of thing that does happen, and in this case actually has happened.

Mr. Hamilton, the hon. Minister of Agriculture, wrote that the area under cultivation north of Lake Superior is increasing, but there is no experimental farm between Kapuskasing and Winnipeg. The purpose of the farm will be to grow test forage and

pasture crops. No livestock will be involved. It is hoped to have a laboratory and a few small buildings for a staff of half a dozen by 1963.

Now this involves a property of 70 acres and, hon. members, the amount involved for the purchase of these 70 acres is \$315,000. This \$315,000 is, of course, the amount that was announced directly from the government in the Port Arthur paper. But when we come to the Fort William paper—*Fort William Times Journal*—we find the cost to be about \$225,000.

On the basis of \$315,000, the property is worth \$4,500 an acre. I know about this particular property, it is within a 100-acre lot of my own. It is actually divided, I believe, into two parts. One follows Highway 130 along the line towards adjoining Highway 61. On the left hand side of the road, or to the east, there are 50 acres of land which are made up of a sandy loam; on the right hand side, the owner of the property had divided an area along the road for two-acre lots according to the zoning bylaw and many of these lots are sold. Farther on, on the other side of the 100-acre lot he has approximately 20 acres. So I imagine that the total amount which was sold to the government was the combination of this 50 acres on the left hand side of the road and the 20 acres on the right hand side of the road.

Back in 1946, in this area farther to the south, I purchased a 100-acre lot for \$11 an acre or \$1,100 for this particular lot, which was cleared except for an area where a ravine cuts off a portion which could not be used.

Also, there is a farm lying between this particular part that was purchased, or is in the throes of being purchased, and my own which consists of 300-acre lots and has a dairy herd consisting of around 70 head. It is better land than the land which was already purchased, because on this particular land the soil had been well fertilized and well developed.

I was offered this land a year ago for \$150,000—that is the whole farm for \$150,000—because the wife of the owner of this property had died just recently and he wanted to get cash for the property. It was a matter of a family deal where he felt that division of the property could be better made on a cash basis. He finally came down to the point where he said: John, I am offering you this whole deal here, I will give it to you for \$100,000 cash. I did not want the farm so the deal did not go through; I had enough

to do without taking on another farm of this size.

But I would like to point out to hon. members that 300 acres of land which is still there in this particular farm—there are a number of buildings on it, there are barns on it and other types of buildings on it—these whole 300 acres are still there. I imagine if the government were to contact this farmer, he might want to sell it. This farm I am sure could have been purchased by the government at a greatly reduced price, Mr. Speaker; a much better farm, with greater acreage.

This is what I am afraid of with government spending and government operations. It is very unfortunate that government money has to be wasted in this manner.

I was very interested last night—the hon. Minister of Mines (Mr. Wardrope) is not in his seat, I hoped he would be—but I was very interested in his remarks last night. Twenty-five years ago when I was in Geraldton we had a mining community and there were times when it was stated across the Dominion that the streets of Geraldton were paved with gold. Well, the gold never did come on the streets. We had a great many mines there which are ghost mines today, but we never did get the streets of Geraldton paved with gold.

If hon. members go up to Atikokan they will find at certain times of the year that the streets of Atikokan are paved with the iron ore dust emanating from Steep Rock ore mine open pits. This actually happens and I hope it can continue to happen, because it shows that the industry is still in operation. But so far we have not found that on the streets of Port Arthur we are able to walk along and pick up diamonds.

Diamonds, I understand, are a possibility as far as mining is concerned in Moosonee. I certainly hope that the hon. Minister is able to find these diamonds and to distribute them among the members of his riding. I hope that in the adjoining riding of Fort William we will be privileged to participate in the good luck or good fortune of the hon. Minister himself.

About the economic setup of northwestern Ontario. It is something on which we feel we are making progress. We also feel that to a great extent we are doing it ourselves. The government is helping, yes, in certain areas; but I think hon. members will find that back in 1960 northwestern Ontario went ahead when we were in an unemployment situation which was very aggravating at the time. The labour councils were interested in it. What

finally came out of it was the northwestern Ontario commission on employment.

The commission was set up under the auspices of both cities and the whole district and a study was made. The commission was set up in December, 1960, to study employment problems in the region. Money for the study was contributed by the cities of Fort William and Port Arthur and by the northwestern Ontario development association. Each commissioner made a personal contribution of his energy, experience and time during the year of the study. A senior economist from the federal Department of Labour helped the commission to organize such procedures. During the first few months of 1961 the commissioners familiarized themselves with national employment trends and forecasts. It became clear that the regional problem was too serious and too complicated to permit a short study.

The commissioners prepared and mailed detailed questionnaires to 3,100 employers and 120 union locals in northwestern Ontario to obtain information and opinions of the short and long term employment problems. The questionnaires were returned from 800 employers and locals covering a labour force of over 27,000 men and women. The information and opinions from the questionnaires were combined with the commission's own fact-finding studies during the summer months. This report consists of material selected from the 40 graphs, 100 tables and charts and 40,000 words collected and prepared during the study.

The brief covers many things and basically puts forward the problems in northwestern Ontario, probably to a much more detailed degree than anything we have had. From this particular report—through its suggestions—we have brought into being the committee which was recommended.

The committee as recommended was this: a regional advisory council should be formed in northwestern Ontario. The council would be responsible for continuing investigation, public education and the co-ordination of regional development proposals. The council should consist of not more than 11 representatives from the public and private sectors of our economy. The council's function would be different from that of the northwestern Ontario development association which is a promotional organization of the province and local municipality. The regional advisory council would work in close liaison with chambers of commerce, municipal associations, the northwestern Ontario development association and similar agencies.

This council actually has been appointed and I have the names of those who have been appointed and a start has been made.

The next suggestion made by this particular commission was that a regional economic conference be held in March. I doubt very much whether this will happen. But in the meantime we have had appointed from the government another council for northwestern Ontario and this council is going to be headed up by Mr. D. A. Clark who is a very prominent man at the head of the lakes. I have known him myself for a great many years and appreciate his knowledge and ability. I am not sure whether the members have as yet been appointed or designated, but I do know that the advisory council appointed by the northwest Ontario commission on employment was set up.

This regional advisory council is an independent group of citizens of the region who will, by their experience and training, represent the major facets of economic and social life in northwestern Ontario. The council consists of two men from Fort William, two from Neebing, two from Paipoonge, two from Port Arthur and two from Shuniah, which covers that whole general area. The council should consist of members who are prominent and outspoken in the fields of agriculture, investments, iron ore, gold, law, pulp and paper, real estate, retail trades, transportation and unions.

The secretary of this board, Mr. Harry Parsons, says that in the time since the publication of the report the government of Ontario has established a northern development committee to be chaired by Mr. D. A. Clark. The commission does not know the exact terms of reference of this proposed organization and has decided to go ahead with its own programme until the situation is clarified. Duplications can be avoided by liaisons or mergers with the northern development committee.

Now, this is all very good and—

Hon. G. C. Wardrope (Minister of Mines): Mr. Speaker, could I ask the hon. member a question please?

Mr. Chapple: Certainly; it is a pleasure.

Hon. Mr. Wardrope: I just want to say that the information that the hon. member has given is factual. I know all the men he is speaking of and they have done a good job. The other day I had a letter from Mr. Clark—

Mr. V. M. Singer (York Centre): Question—no speeches. What is the question?

Hon. Mr. Wardrope: Well, I wanted to know if he knew that this group was working with this new economic council he is speaking of. Mr. Parsons is in touch with them and they are working together.

Mr. Chapple: Well, Mr. Speaker, I certainly thank the hon. Minister for the information he gives me. I know he is very well informed, particularly about diamonds.

Hon. Mr. Wardrope: I thank the hon. member for Fort William; I appreciate that. The more advertising he gives it the better. He may be surprised one of these days.

Mr. Chapple: Unfortunately, in northwestern Ontario, in spite of what the hon. Minister of Mines says, it is not all easy going. I would like to read a small item taken from the Port Arthur *News Chronicle*. This is an article which makes us feel very depressed about the future of our part of the country. The heading of the article is:

LOSE \$1 MILLION PULPWOOD MARKET BECAUSE OF COSTS

A familiar sight in Port Arthur—their residence for over 30 years—a harbour filled with pulp logs awaiting the spring thaw, has disappeared this year due to cost problems, said D. A. Clark, president of the Great Lakes Lumber and Shipping Company today. Mr. Clark said that for many years his firm had exported 35,000 cords of wood valued at about \$1 million to the Silveny Pulp and Paper Company at Taconna, Wisconsin. Rising costs of our wood due to increased labour and operating costs have made the company seek a new market, he explained. The paper company now gets its wood in the form of chips from sawmill operations in Denver, Colorado.

"I do not see how we can get the market back," Mr. Clark stated. "Production costs in those areas of the United States are cheaper than ours and it will be difficult to regain the business unless conditions here have changed.

"This raised quite a complicated problem with many of the smaller operators at the head of the lakes. Unfortunately, the northern part of the United States, in the States of Minnesota, Wisconsin and so on, there are many areas where the growth of trees is coming to the point of maturity. Here we have operators who can, or seem to be able to, cut their lumber or their pulpwood cheaper than we can do it."

Now I have had many representations to me from labour at the head of the lakes telling me that they are not getting enough for their cutting, per cord, for what they are producing. They say it is not enough, they need more; they have to have a larger cordage price for what they are selling. They cannot operate because of the fact that they are not getting enough for the labour that they do.

Well, I can agree with this; it is quite possible that they are not and I can agree with them to that extent. But the cost of getting cordage from our particular area has risen to the point where competitively the men who are selling this pulp to the United States or to whoever they sell it, are not able to be competitive with the areas of the northern States. It is very unfortunate.

If the costs are raised higher more of these operators are going to go out of business and when it comes to this point, there will be no jobs at all for the people interested in this type of development.

Now if Mr. Clark, as chairman of this new committee that has been set up, can solve this particular problem, he will certainly be doing something really great for northwestern Ontario. Not that pulpwood is not moving out of northwestern Ontario to all the mills around creating a certain amount of work in the woods and the bush; a great deal of this was done this year; but not nearly to the extent that it has been done in former years.

One of the things that I wanted to bring to the attention of the government is what I consider possibly to be of more importance than anything, for the best interests of this province. That is the Trans-Canada highway or the lack of same. We have not only one Trans-Canada highway, we have two Trans-Canada highways, yet we have no Trans-Canada highway. That may sound a little complicated but it is actually the case.

The government should have shown leadership in this regard. If the government had said: "We are going to have a Trans-Canada highway," the federal government would have said, "You shall have a Trans-Canada highway. We will help you; we are going to supply a good percentage of the cost of the Trans-Canada highway."

But the government was not satisfied with this. A Trans-Canada highway across the province of Ontario would have done more for the people of Ontario as a whole than anything we can possibly think of. Look what it would have meant to us. The people in the States would have come up here and

gone across by this highway. They would have had at least some ingress to the province on both sides instead of having a province with one Trans-Canada highway called Highway No. 7, another called Highway No. 11, and then Highway No. 17. It should be Trans-Canada Highway No. 1. This would have been something important and this should have been done 20 years ago. But what have we got?—

Mr. A. Carruthers (Durham): Outline that route.

Mr. Chapple: I am going to, that is just exactly what I am going to do, and I am not going to do it with a great deal of pleasure because I feel very unhappy about it. I would like to point this out: first you have Highway No. 17 running from the Quebec border, through Ottawa to North Bay. But have you ever travelled on Highway No. 17? That is not a highway; it needs to be rebuilt—and all I am asking for is a two-lane highway.

After North Bay you continue on Highway 17, you go to the Sault. Well, I am not sure about how that highway is, but if it is in the same condition it was when I last travelled it, it would not be too good. You go on from Sault Ste. Marie and you get to the area which has just been newly built. This is a very good highway, but the unfortunate part of this particular section of the highway is that you cannot find it.

The people in the Sault say: "Well, here is this highway, fine, we will find it." So they travel for 70 miles over a poor road and they finally hit it. The people of Fort William say: "Well, this is a lovely highway, let us find it," you travel for another 75 miles before you hit it and when you do hit it of course, well, it is a very nice highway. But why for goodness sake did not the government complete this highway before they opened it?

Take the highway encircling Lake Superior, something of which we are very proud, and which I travelled around when it was opened, being what we called at that time a Lakehead admiral—I do not mind being an admiral as long as they do not ask me to go on the water. Sixty of us made this trip around Lake Superior. Now how can the government sell something that is not there?

If the former hon. Prime Minister (Mr. Frost) had opened this highway at Wawa, if he had opened it when it was completed, there would have been no complaint; we

would have had something really worthwhile to offer the people of the States and our other tourists. But here is a half-finished highway presented to the people of the States as something wonderful. Can The Department of Travel and Publicity advertise a highway unless, with any degree of—an hon. member suggests the word “accuracy,” well the accuracy of the statement is pretty faint—around Lake Superior we still have not got anything of which we can be proud.

Then Highway 11, the second highway that runs across Canada, which originally was supposed to be a part of the Trans-Canada Highway—and, of course, in 1941 that highway was so-called completed. I was there at Sturgeon River when the ribbon was cut, the highway was opened; and today, a few years later, this highway still has not been completed, not to highway specifications—particularly around Cochrane, Hearst and these areas. A little bit is being done every year and it is being stretched out and stretched out and stretched out.

If one goes on farther from there you say, well the hon. Minister says, we have a highway from Fort William to the Manitoba border. We have; but 120 miles of this highway is still not up to Trans-Canada Highway specifications. And if the hon. Minister knows what that means he will agree with me that no tourists, particularly American tourists, are going to come across our country until we have a highway that is up to these standards. You have highway—

Hon. Mr. Wardrope: Is it true that the tourist business in our area, over Highways 17 and 11, increased 100 per cent last summer over the year before?

Mr. Chapple: I would be very pleased to answer that question. I would be very pleased to answer it this way: that if this increase the hon. Minister says occurred, and I feel he may be approximately right, it does not mean anything to Ontario. These people came up to see good highways, these people came up to go through Ontario, and what do they say when they go back to the States; just what will they say?

Hon. Mr. Wardrope: They will say they are surprised.

Mr. Chapple: They are not going to come back; is the hon. Minister selling Ontario? Of course not. The tourist rate would increase 10 times if we had a decent high-

way across Ontario. The hon. Minister does a false selling job, and anybody can do a false selling job, and he knows what happens afterwards. There is no second trip; there is no proper job being done in Ontario, none whatever; but the waste which was done on highways, of duplication—highways which were done and had to be redone—readjusted, being levelled, the turns, the sections that have to be taken out, the bridges that have to be built and so on, is a terrific waste which has been accepted by this department of the Ontario government, and accepted by the federal government, and which should not have been accepted.

The leadership of the Ontario government in this regard is just out of this world; into orbit, the way—well, we will not go into orbit, we will get right down to earth and the Liberal government will see that a highway is built for us. And it will get done.

But we do not want a costly highway; we want a good, straight highway built to specifications; and only a two-lane highway—that is all we want. We have never had it, we never will get it at the rate that the job is being done. Of course, the hon. Minister knows as well as anyone else that we have another highway, No. 11, which is a part of this deal; it is a straight duplication of highway 17—it runs from Highway 17 to Atikokan; some day it is going to get to Fort Frances at terrific cost—why did the government not go ahead and build one highway first? Why not have one highway first? The others can come. And what about the transportation across Ontario or the lack of same? The hon. Minister knows what is happening as well as I do. Most people who want to go from the west to the east go down south of the lake; they by-pass us.

On top of that again, all the transportation from eastern Canada to western Canada goes the same route and by-passes our part of the country. It is ridiculous. He knows it as well as I do. It is something that is straight governmental lack of decision.

Hon. H. L. Rowntree (Minister of Transport): Mr. Speaker, that is an entirely erroneous—

Mr. Singer: What point is this? He is out of order.

Interjections by hon. members.

Mr. Chapple: Mr. Speaker, I do not know what the hon. Minister of Transport (Mr. Rowntree) is mumbling about, but I do know the facts.

I have been worrying about different things that go on in this province. It has bothered me; it has bothered me over the years. I think the hon. Minister from Port Arthur (Mr. Wardrope) will recognize the fact that, as chairman of the tourist committee back in 1947-1948, I worried about this problem then and I got nowhere. I am still worrying about it now and I still do not think I will get anywhere.

There is one thing I feel, being a retailer—the unfortunate problem that retailing is faced with in this province. We have as retailers a job to perform, and unfortunately this job is not being performed to the degree to which it should. Unfortunately it is mostly through control that the problem arises; there is control on the municipal level, and not only does this control on the municipal level seem to grow but retailers themselves are asking for more control. The control that I am referring to is the control of store hours.

As far as store hours are concerned I have had a great deal to do with this. I have always been of the opinion that a merchant has a job to perform; and if he does his job right he will be successful. His management will be successful but he must have the ability and the type of operation which gives him sufficient volume, and sufficient and good administration, to do the type of job a retailer should do. A retailer is a service, does a service, is a service man.

This problem in controlling store hours does not emanate from the general public at all; it does not emanate from council; it emanates from the poor retailer—the retailer who cannot operate himself but puts himself into a position where: “I cannot get what I want so therefore I am going to put everybody else in the same position.” And this is unfortunate, because if we do not have proper competitive outlets, and they are there—one can go to England, go anywhere one likes and one will find stores of all kinds open according to the demands and desires of their management which relates entirely to the service that they can and do, to and for their customers.

It is unfortunate that retailers do not realize this, do not realize that they should have their hands free to do the kind of operation that they can do to the best interests of all. I do not feel that a retailer should come to the government to have his problems solved, because he cannot have his problems solved by government; he must have his problems solved through good management.

In the last day or so we have had the game and fisheries convention here and The

Department of Lands and Forests have been holding their meetings for people who are interested in this particular vocation. I would like to make a comment on three things that came up during these meetings which I feel are important to me and for which possibly other people may have the same feeling.

One was a bill which I go along with entirely, suggesting that we be very careful with the handling and the distributing of sprays—spraying of, indiscriminate use of sprays over areas, any areas, particularly by airplane and so on; because this type of thing not only looks after the disease or that particular job that the spray is supposed to eradicate, or disease that the spray is supposed to eradicate, it also kills the living bacteria, the living insects, animals, birds and so on in the area. This is deplorable.

The indiscriminate use of spray is one of the things which is going to ruin our natural habitat; there is no doubt about this. I am not against spraying as used on some particular project, or for some particular project, which is going to be definitely looked after by the person concerned. It is something at which he makes a living; he has to have spray to protect himself in this particular area, therefore he is quite satisfied to kill off the insects, all the birds, in that particular area to look after this job. That is fine, that is OK. But for the government, or Department of Agriculture, or any individual who takes this particular job on, indiscriminate spraying of our forest areas for any purpose at all is not conducive to the best development of our wild life.

I would advise the government therefore to be very careful in this regard, and to look after this with kid gloves, because we all know that accidents happen through people who do not understand the use and the strength of the spray that they are using.

Another thing I would like to comment on is this: a resolution came up which said that we should have placed tailored trees along our highways. This tailored tree idea is fine, it possibly would increase the beauty of our highways, but when one puts out these trees first one has to have the proper type of soil to put them in. I have seen trees put up by the department and by people, who find within a year, maybe six months, that these trees have died because they were not put in proper soil.

The next thing is the proper moisture; how are you going to supply these trees with the proper moisture.

How are we going to prevent these trees being killed through frost? This is something

I feel the government should not go into. The government should not go into this type of thing at all. It is something that is not needed in the first place. It is not necessary. They are generally put in between highways, a four-lane highway with an opening in the centre, they put trees in between there. These trees are a hazard if they grow big, or even if they do not grow big, particularly in night travelling.

I do not see any use, any real use, for trees on any highway. The trees can be growing naturally like they do up in our country away from the highways, but they do at least grow.

The third thing that came up which was a very contentious thing and which the department, I hope, will look into because it was demanded by a great many of those present, is the department's policy towards research in connection with wolves and deer. In Algonquin Park they are studying a method by which they can control deer within the park by the use of wolves. But those tourist operators who are outside this particular area are not interested in wolves controlling deer, they are interested in deer being in evidence. Because of wolves being indiscriminately allowed to go in packs through these areas, many deer have been killed, particularly in the winter time. The wastage of animals by these deer being killed by wolves lies in the fact that an animal will be killed and maybe five pounds of meat or so taken by the wolf and then the carcass is left to rot. This is very unfortunate.

The Department of Lands and Forests would do well to concentrate on some way, some type of regulation, which will make it possible for the farmers, the tourist operators to control wolves—the farmers, of course, are having trouble with wolves because of the fact that sheep are being destroyed by them.

If we start out trying to find a way to study wolves, we should be trying to find a way of destroying wolves. If these wolves are destroyed and taken out of the area entirely, we can control the growth of the areas as far as the land is concerned and we can also control the number of deer in any area through sportsmen who would be asked to come up and have something to shoot. Or, if in some areas the deer are destructive, these deer can be moved to areas that are not overrun to the extent where the growth is being destroyed.

Those are the three things I got out of the committee meetings held by The Department of Lands and Forests and the three

things on which I felt criticism was necessary for the better operation of our government.

I know the ND Party will not be very happy about me bringing up this next subject, but I am going to bring it up anyway. I know that there is a problem here, it is a problem no one can really handle without a great deal of soul searching. This particular item which I have in my hand is headlined:

OFFENCE TO DISCRIMINATE IN HIRING, BOARD DECIDES

The Ontario Labour Relations Board in a precedent-setting decision has ruled that employers are prohibited by law from refusing employment to all who become because of minimum of union activity.

An hon. member: The hon. member should read the rest of it.

Mr. Chapple: I cannot read the rest of it.

Mr. D. C. Macdonald (York South): He cannot read, period.

Mr. Chapple: One reason why I am not going to read the rest of it—it is a little funny, this particular point is—I think I can cover it without doing so. My glasses do not seem to be operating too well, the print is a bit small, and the difficulties which are entailed, will possibly make it better if I were to explain the situation more or less in my own words.

The company involved—actually it is not one company, it is two—this particular company took over, a company from the States took over a company in Canada, a powdered milk company. In the taking over of this company there was a dispute as to whether two particular members of a union should or should not be kept on by the company that did the purchasing.

Now let us go back to the basis of these things. Why would a Canadian company, if it were operating properly, why would a Canadian company want to sell out to an American company? When hon. members have a business, if it is a profitable business, they are going to keep it, it is going to be worthwhile. But unless within the company itself there is a feeling of common purpose on what they are doing, that they are all working together for one purpose, then that particular company will not operate and continue to operate.

It is the basic thing that we are all worried about here in Ontario. The fact that not only do our big companies have to come together or amalgamate in order to keep operating,

through cost, competition and all the other things involved, but the fact that so many of our small companies, the companies which are the life blood of the whole of Ontario, these particular companies that are important to us are disappearing.

Yet in this particular case, as I read more or less between the lines, the big problem with this company was the fact that it could not operate. The reasons it could not operate could be varied, could be many, I know from my own experience. But in this particular case, the company that took over the Canadian company ran into the same difficulty with which the company was faced.

Mr. K. Bryden (Woodbine): Why did they not fire the union leaders or refuse to hire them?

Mr. Chapple: The union leaders in this particular case—the labour members—were fired. And the unfortunate part of this, we have legislation which can discriminate. There is a law that went through that we can discriminate, but who are we going to discriminate against? Is it the operator, the manufacturer, the fellow who is trying to stay in business? Are we going to discriminate against labour or are we going to discriminate against the people who want and need these businesses in operation so that they can be taxed so that they can help to carry the load which this government is prepared—

Mr. Bryden: This is the full flower of Liberalism.

Mr. Chapple: This is the important thing that we have to face. I am not saying that we should help—

An hon. member: Is this Liberal policy?

Mr. Chapple: This is not a demand that we fire the union, this is not a demand that we put businesses out of business; what we are doing is this one thing: we are trying to bring this together to the point where the best interests of the people of Ontario are served.

Mr. MacDonald: By killing the unions?

An hon. member: He did not say that.

Mr. Chapple: The unions serve a very worthwhile purpose; the hon. member knows it and I know it. But there are discriminations in many areas and I feel that the board has too much responsibility in this regard. There is no doubt about this if the problems within the businesses cannot be solved. This particular board said that the two union men had to pay back the back pay; that was fine, this is

an order, and I imagine the company accepted it; but what is going to happen in the operation of this company—is there going to be good feeling, are the people going to work together and do a good job? Is this thing going to be worthwhile?

Mr. MacDonald: Is there going to be good feeling if the government does not treat the unions the right way?

Mr. Chapple: All right. They are being treated according to the best interests of any operation. These have to be based on the decisions of management on the whole, and if management cannot get the job going—

Mr. MacDonald: The hon. member is like the Irish. He is neutral but who is he neutral against?

Mr. Chapple: Who is the hon. member for York South neutral for? That is the thing I have been wondering about.

Interjections by hon. members.

Mr. Chapple: I find the ND Party amusing if nothing else. There is no doubt about it that there is a certain feeling of respect, and always has been and always will be, by the Liberal Party for labour. Labour has done more to really develop the real basic means of the labouring people; the hon. member knows that, we know that; this is something that, as far as democracy is concerned today, is universal. But it is the adjustment of these different things that is important; it is the balance between all these things, and if one does not get a proper balance one gets nothing, nothing worthwhile.

In my particular business we had our labour problems. We appreciated these problems, we accepted these problems, and we turned the whole business over to labour to operate; that is what they are doing with it today. I do not see how one could be more, do more, to give something than to actually turn one's business over to labour. How can one help labour except to give them everything that they can have and more; give them the works.

Mr. MacDonald: The voice of Liberalism rampant.

Mr. J. J. Wintermeyer (Leader of the Opposition): His actions speak louder than his words; he did a very commendable thing.

Mr. Chapple: I think my words have been interpreted in the right manner, and speak for themselves.

I would like to get around to another problem which I feel is important. This is the problem of agriculture. It was stated by the hon. Minister the other day in his estimates that the farmer's lot was being improved, that the farmer was doing a better job and that he was being paid better for it, and he was much more successful than he had been in the past. However, I would like to quote this particular clipping from the *Financial Post* which says:

NET FARM INCOME DOWN
24 PER CENT

Although the cash income received by farmers in 1961 was at a record of \$2,929 million, adjustments for lower farm inventories of grain and livestock and increasing costs reduce their net income to \$1,006 million compared to \$1,319 million for 1960.

The lot of the farmer is not improving when it comes down to his net worth, and his net worth is the only criterion I feel on which he can be judged. It is very unfortunate; if we do not make it possible for the farmer to make a good living, the costs of our agricultural products are going to rise so high that it will affect all of us.

When the prices of our farm products go down, there is a surplus on the market; the farmer has to accept such a small amount for his produce that he cannot continue in business. If he does not continue in business it is automatic that the price of the product will go up because in this particular case scarcities will develop. But not only the development of scarcities aggravate this problem; if there are scarcities and if the price of our agricultural products do go up, then products from all over the world will come in to almost eliminate the farmer's place in this province.

Well, we must do all we can for the benefit of the consumer, for the benefit of ourselves; do all we can to assist, make it possible, for the farmer to get a worthwhile price for the products he sells, a price which will cover the cost of his operations and make it possible for him to continue as a farmer and in the type of life that farming does entail. We are actually getting nowhere on this particular thing; nothing has been devised yet to make it possible for the farmers in this province to make a worthwhile living. A farmer is either a farmer making a worthwhile living, or he is a farmer getting by as best he can, generally with some extra job to keep his farm in operation.

Now as far as the problem of Hydro is concerned, I would like to dwell on that a little. I am sure the hon. Minister of Energy Resources (Mr. Macaulay) would be hearing what I have to say on this.

The hon. Minister has come up with three lovely bills to amalgamate all Hydro operations. This is a very interesting thing, but why was it that Hydro was allowed to divide into two or three different parts in the first place? The Hydro commission had made a decision that it was too complicated, cost too much money as far as development operations by the original Hydro commission were concerned. As this was going to happen, they had a separate division set up to look after the costs of the new properties, which were the eastern and western divisions. These two divisions, of course, were known as northern properties.

What were the advantages and disadvantages? The advantage of having it divided into two areas were so that the rates could be kept at a minimum in southern Ontario, and the costs involved in the northern properties could be separate. This is fine; it was a very good move but financially, on the part of the Hydro commission, it meant that they were not tied up too much and they could borrow a great many more million dollars than they would have otherwise.

Since it was separate the people of northwestern Ontario, because of this separation, found it possible to get a better connection, a better working agreement by dealing with the government direct, than they could by dealing with the Hydro commission itself. This is the reason why, in northwestern Ontario, we wanted the properties separate, Mr. Speaker; this was the thing that was important to us.

All of a sudden Hydro wants to bring the whole thing together. It is just apparently a paper entry; I do not know why it means so much to Hydro; I cannot really understand because they can do this whole job without having bills to bring the thing together.

Mr. MacDonald: Did the original resolution not come from the northwestern OMEA?

Mr. Chapple: Well, whether it did or whether it did not makes no difference. I do not see why these technicalities should be brought up by the—I have great difficulty in pronouncing that name or initials because I get them, I will not say—

An hon member: The NDP party, or the "new Dems."

Mr. Chapple: Well, if I call them the New Democrats, which the hon. leader of the party advises, I cannot understand this because we are all democrats here. Why is he being any different from anybody else?

Mr. Singer: Tell him about the six people in York Centre who came to listen to Stanley Knowles the other night.

Mr. Chapple: The big problem in this regard is the fact that Hydro finds itself under terrific pressure. The pressure is so great that they have to find every way and means of covering the situation as much as they possibly can. So they cover it all and hide it away and put it in one nice little basket and use the public relations people to say everything is okay with Hydro. This is fine, but it is certainly not only getting away from the facts, but it is really covering them, call it what they like.

What is this going to mean for the people of Ontario? Around \$1.5 billion is already on the books for Hydro and we do not know if Hydro is going to develop the policy of economically operating hydro; we do not know if they are going to do this or not. We have no indication from the hon. Minister of Energy Resources (Mr. Macaulay) that he is going to pull this thing together, that he is not going to demand more millions for more development in northeastern Ontario. We do know this. I asked a particular question—and I thought it was a good question at the time—and I did not get an answer as far as I know in any publication that has been brought out since. The answer has not come out.

I do know that the hon. Minister and his henchman at the head of the lakes said that the costs would be over \$1 million as far as the straight operation of the area is concerned because of the expansion of the plant on the island near Fort William and this would continue on until the whole costs of the operation would be paid. They knew this, they published this, but they did not tell us the one fact that I would like to know and that is: what did the plant cost in the first place?

Hon. R. W. Macaulay (Minister of Energy Resources): I am sorry, what is the specific question on the information for which the hon. member is looking?

An hon. member: What did the plant cost?

Mr. Chapple: The plant was supposed to cost \$26 million, as far as the original estimate was concerned.

Hon. Mr. Macaulay: Yes.

Mr. Chapple: I asked a direct question in committee to one of the men who was there representing Hydro, who was supposed to know the facts and he said he would not tell me because he did not know the facts. Now, how Hydro cannot know—

Hon. Mr. Macaulay: Just a moment. Is the hon. member saying that some Hydro officials said up there that they did not know the facts?

Mr. Singer: Stand up to him. He is out of order. The hon. member is making the speech.

Hon. Mr. Macaulay: Could I ask the hon. member a question?

Mr. Chapple: If the hon. Minister is going to answer now.

Hon. Mr. Macaulay: No. I said: could I ask the hon. member a question?

Mr. Chapple: I would be very interested in hearing the question.

An hon. member: Leave him alone.

Hon. Mr. Macaulay: The question I am asking the hon. member is: did he say some official of Hydro told him they did not know the answer to some question that he had asked him? What official was that?

Mr. Chapple: Does the hon. Minister want me to answer that question? The reason I may that remark is because maybe he might not like the answer. However, in this particular committee room, I think it was at the beginning of this session, one of the first anyway—no, it was not, it was at the end of last session.

Hon. Mr. Macaulay: What is the gentleman's name? That is what I am trying to find out.

Mr. Chapple: Many of the Hydro gentlemen have peculiar names, but this particular one, I cannot remember his name.

Hon. Mr. Macaulay: Was this in the committee—the energy committee?

Mr. Chapple: It was in the committee. He said at that time—and our hon. leader (Mr. Wintermeyer) was right beside me when I asked this question. He was an official of Hydro, one of the important officials or he would not have been there, I do not think, he told me at that time that they had not enough

information concerning the cost of this building to be able to even intimate a possible total amount as far as the cost of the plant was concerned. At that time he did not know; why did he not know? Surely there are enough Hydro officials in Hydro to be able to at least estimate a partial cost; and when I asked him if he would be prepared to give me an approximate cost, he said "No."

Mr. MacDonald: The hon. member asks these difficult questions.

Mr. Chapple: When it comes to Hydro, we might say it is no laughing matter. It depends on how serious we consider Hydro costs, as well as the development or real worth of this province. These extra costs, the costs of these new developments that are being brought out here in northwestern Ontario and northeastern Ontario, the big plants that are operating more or less according to demand, force the rates up; and if Hydro had been more economical in its thinking, in its forethought—of course, the whole thing goes right back to this government. The government at no time ever questioned Hydro. Hydro was never questioned. They could go out and spend anything they want; their ideas never came to the floor of the House; nothing was questioned at any time as far as Hydro was concerned. And here we are with a situation that we cannot control at the present time because we have obligated ourselves to the terrific expenses which Hydro has placed on the people of this province.

And another comment I might like to make came out in the papers just this morning. This was the fact that Hydro is going to have a little trouble with union negotiations, which is interesting. What is going to happen if the lights are turned out all over Ontario?

It is rather an interesting thing to think about, I gather. I am not suggesting that the lights will be turned out at nights, I am suggesting that the lights will be turned out through the 24-hour period.

Hon. Mr. Macaulay: All the lights in the province?

Mr. Chapple: All the lights will go out.

Mr. Chapple moves the adjournment of the debate.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister) moves that when this House adjourn at the present sitting thereof it do stand adjourned until 2 o'clock on Monday next.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): Mr. Speaker, on Monday we will meet at 2 o'clock and go on with the estimates of The Department of Highways, and a night session. We will have night sessions on Tuesday night and Thursday night.

An hon. member: If the lights do not go out.

Hon. Mr. Robarts moves the adjournment of the House.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, will the hon. Prime Minister (Mr. Robarts) give us more information about the particular estimates that will be called in the balance of next week? The Department of Highways has been identified for Monday but what about the other several days?

Hon. Mr. Robarts: The Department of Energy Resources, and at present that is all.

Mr. Wintermeyer: Those two?

Hon. Mr. Robarts: Yes. If there is any change I will give the hon. members all the notice possible.

Motion agreed to.

The House adjourned at 1.05 of the clock, p.m.



ONTARIO

Legislature of Ontario Debates

OFFICIAL REPORT—DAILY EDITION

Third Session of the Twenty-Sixth Legislature

Monday, March 19, 1962

Afternoon Session

Speaker: Honourable William Murdoch

Clerk: Roderick Lewis, Q.C.

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LEGISLATIVE ASSEMBLY OF ONTARIO

MONDAY, MARCH 19, 1962

The House met at 2:00 o'clock, p.m.

Prayers.

Mr. Speaker: We are always glad to have visitors to the Legislature and today we welcome as guests students from the following schools: in the east gallery, Itzchaim Parochial School, Toronto, and in the west gallery, William Burgess Public School, Toronto.

Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Hon. J. P. Robarts (Prime Minister) moves that the order of the day for resuming the adjourned debate on Bill No. 47, An Act to amend The Retail Sales Tax Act, 1960-1961, be discharged and that the subject matter of the bill be referred to the standing committee on public accounts for consideration.

Motion agreed to.

Hon. J. P. Robarts (Prime Minister): I might just say, Mr. Speaker, that I have spoken to the hon. leader of the Opposition (Mr. Wintermeyer). This is carrying out my undertaking with respect to the hon. leader of the Opposition's proposals regarding what revenue would be produced by the sales tax with his amendments and what comments I had to make on what the amount would be.

I undertook to put that matter before the public accounts committee. I am using this method of doing it. It will be dealt with by the committee next Monday.

I have discussed this with the hon. leader of the Opposition, as I told him I would give him some notice in order that he could bring his people together.

Mr. Speaker: Introduction of bills.

Hon. J. W. Spooner (Minister of Lands and Forests): Before the orders of the day, I have a short statement I would like to present to the House in connection with the winter works

programme involving The Department of Lands and Forests.

By agreement with the federal government our parks branch has been able to substantially expand its park development programme during the winter works programme. This, I think, is an effective measure for providing employment in a great many areas extending from southwestern Ontario right across the province to the northwest. I might add that with the location of many parks in those parts of Ontario where there is normally less opportunity for winter employment, this development work does provide a useful outlet for constructive use of manpower in these more or less remote areas.

The total extent of work accomplished is substantial. It involves the many ramifications of facilities required to serve the public, such as camp and picnic ground development, park roads and trails, boat launching and dockages, fire hazard clearances, tree planting, nature trails and so on. I would also add that these winter work projects are in line with our park plans and designs.

The federal government has recently announced that this programme of assisting in winter works projects has been extended to May 31 of this year. The funds provided for these purposes will reach a total of about \$1.3 million, over half of which covers pay-rolls for those employed on the job. The balance is for hire and operation of construction equipment and material necessary for carrying on the work. The federal contribution is 50 per cent of expenditures, provided one half of the total expenditure is for labour. Preliminary estimates indicate that about 60,000 man-days of labour will be realized up to the end of May. This extension to May 31 will provide us in Lands and Forests with the opportunity to complete many projects after the spring break-up, and at the same time provide useful work for many people.

Mr. L. Troy (Nipissing): May I ask the hon. Minister a question following that announcement? If this project is in effect next year, will he see that some of the UNR funds are

used in access roads rather than just in parks only, because I understand now that most of it goes to parks and very little to access roads.

Hon. Mr. Spooner: Mr. Speaker, it is rather difficult to answer the hon. member's question. I do not think his question relates to what I was speaking about at all.

Hon. J. Yaremko (Provincial Secretary) presented to the House the following:

The report of the hon. Minister of Public Works, Ontario (Mr. Connell), for the 12 months ending March 31, 1961.

Mr. D. C. MacDonald (York South): Mr. Speaker, before the orders of the day, I have two questions which I would like to address to the appropriate hon. Ministers, copies of which I have submitted to them through you.

The first one is to the hon. Prime Minister (Mr. Robarts): in view of the misgivings expressed by Hydro spokesmen and the hon. Minister of Energy Resources (Mr. Macaulay) on the question of a national power grid, would the hon. Prime Minister indicate to the House what the general stand of the Ontario government will be at the interprovincial conference meeting in Ottawa on this proposal?

Hon. Mr. Robarts: Mr. Speaker, I checked and I was unable to find any misgivings expressed by the hon. Minister of Energy Resources (Mr. Macaulay). However, the meeting is taking place today in Ottawa and there are three principal questions that are being considered at this meeting. The first is the general advantages which might be derived from regional and inter-regional, and under certain circumstances international, intercommunication of electrical facilities. The second question will be the principal problems involved in long-distance transmission and what might be done to meet them. The third question is the role which the federal and provincial governments could play in the planning, research and development which would be required in order to obtain the greatest possible benefit to the provinces and to the country as a whole.

The whole subject matter is so broad, and this is what might be termed only the beginning of a beginning, that the government has no particular position on the matter at this stage, other than we are prepared to investigate, along with our sister provinces that are interested and the federal government, the whole question in order to see exactly what is involved including both disadvantages and advantages. In other words, the present

meeting is entirely exploratory and any policy, any government policy, will have to await the settlement of many questions which I indicated are being discussed there today.

Mr. MacDonald: Mr. Speaker, I will not abuse the rules of the House now but I am surprised at the comment of the hon. Prime Minister that he is not aware of any misgivings, as the hon. Minister of Energy Resources, on a number of occasions, in the public prints and in the committee on energy, has expressed serious misgivings with regard to economic feasibility.

Hon. Mr. Robarts: That may be so.

Mr. MacDonald: Mr. Speaker, my second question is to the hon. Minister of Labour (Mr. Warrender). Will the hon. Minister of Labour indicate the reasons for continued delays in introducing the bill to provide more effective industrial safety legislation, and when can this legislation be expected?

Hon. W. K. Warrender (Minister of Labour): Mr. Speaker, may I say in reply, the question was not worded in that way. As I got the question, it said: "Delay in not introducing the bill to provide more effective industrial legislation."

Mr. MacDonald: Industrial safety legislation.

Hon. Mr. Warrender: That is not the way I got it, Mr. Speaker. However, assuming that he meant it in relation to industrial safety, I wanted to make this statement: the hon. member will recall that shortly after the session commenced last November an amendment to The Department of Labour Act was passed and received Royal assent. This amendment established the Labour Safety Council of Ontario and the members of the council were appointed on December 21, 1961. The council met on January 8, for the first time.

A Construction Safety Act was drafted and submitted in preliminary form to the council for its consideration and advice. This proposed Act is in the final stages of drafting.

I have not given notice of introduction of the bill because of the fact that the report of the Royal commission on the construction industry will likely be available before long and it will be as well to consider its references to safety in that industry, if there should be any, before introducing the bill.

As I said about a week ago in the House, I hope that we will soon have the bill before

the House. I am sure that the hon. member will agree that it should be introduced in the light of all pertinent material available in respect of its subject-matter.

Mr. MacDonald: Mr. Speaker, by way of a supplementary question: are we assured that the Goldenberg report will be down, so that we can be certain that this will be coming in this session?

Hon. Mr. Warrender: I would say to the hon. member that matters in respect of the Goldenberg report will be coming in this session.

Mr. J. J. Wintermeyer (Leader of the Opposition): Mr. Speaker, may I ask whether the Goldenberg report has been made to the hon. Minister or his office?

Hon. Mr. Warrender: The Goldenberg report has been made, Mr. Speaker, and is now being studied by myself and by members of my department. It is in the process of being printed, and as soon as it is available it will be presented to the hon. members of the House.

Mr. Wintermeyer: And when can the hon. members expect it?

Hon. Mr. Robarts: Mr. Speaker, I will arrange that it be distributed as soon as it is available and when we have enough copies. There is no question of holding it back. It will be in here as soon as we get it in. It might take a week or so to have a sufficient number of copies printed in order to make a complete distribution.

Mr. Speaker, before the orders of the day, I would like, on behalf of all the hon. members of the House, to express our sympathy to the hon. member for Brantford (Mr. Gordon) who suffered such a very serious tragedy in his personal family life over the weekend. I think that some of the hon. members who are not here today are attending the funeral in Brantford and I would simply like to express the sympathy of the House to Mr. Gordon and the remaining members of his family in this very great tragedy that befell them.

Mr. Speaker: Orders of the day.

Hon. Mr. Robarts moves that Mr. Speaker do now leave the chair, and the House resolve itself into committee of supply.

Motion agreed to. House in committee of supply; Mr. K. Brown in the chair.

ESTIMATES, DEPARTMENT OF HIGHWAYS

Hon. W. A. Goodfellow (Minister of Highways): Mr. Chairman, presenting the estimates of The Department of Highways for the first time, I do it with a sense of humility, realizing the calibre of the two of my colleagues who are my predecessors as the Minister of Highways. I refer to the hon. Provincial Treasurer (Mr. Allan), and the hon. Minister of Municipal Affairs (Mr. Cass).

I have had copies of this address placed on the desks of the hon. members because I realize that many hon. members are much better readers than I am; not only that, perhaps they can get more out of it by reading it than they would get out of my delivery.

Mr. J. J. Wintermeyer (Leader of the Opposition): I think the hon. Minister is to be commended on doing this.

Hon. Mr. Goodfellow: As a matter of fact, it was not my intention that the speech would be distributed until just as I was beginning, because now it is possibly going to be old stuff for a few of the hon. members.

Mr. Chairman, before settling down to the presentation of my estimates, I wish to record here in this House my pleasure in finding such a high degree of efficiency and *esprit de corps* throughout all levels of my new department.

In an address such as this it is customary to review briefly some of the major construction either completed, or on which the department had work in progress in 1961. Because of the magnitude of the over-all programme it is possible to touch on only a few of the highlights. I am confident that any of the hon. members who travelled over Ontario's highways in 1961 have ample evidence of the breadth of the department's programme of new construction, reconstruction and maintenance over the past year. Indeed, to go into detail would require far more time than I should take from a busy Legislature.

During the year, 75 miles of Highway No. 401 were completed and opened to traffic. With this addition, more than 377 miles of trans-provincial Highway 401 are now in use. The sections which were opened during 1961, from west to east, were: Tilbury by-pass, five miles; Highway No. 2 (Eastwood) to Highway No. 8 (Preston), 25 miles; Highway No. 28 (Port Hope) to High-

way No. 30 (Brighton), 28 miles; Odessa to Highway No. 38 (Kingston), seven miles; and from Highway No. 16 to Iroquois, 10 miles.

As 1961 came to an end, construction was in progress on practically every uncompleted mile of Highway No. 401, and within the next few weeks we propose to award the last grading contract on this highway from Windsor to the Quebec border.

The widening of the Queen Elizabeth Way to six lanes from Highway No. 27 to Highway No. 10 was completed in December. In the late summer, work began on widening a further section west from Highway No. 10 to the Mississauga Road.

Work continues on the province's second skyway, located near St. Catharines, which will carry the Queen Elizabeth Way over the Welland Canal. When completed, the Homer Skyway will eliminate the last bottleneck on the Queen Elizabeth Way.

The second stage of the \$35 million Ottawa Queensway, from the combined interchanges for Carling and Kirkwood avenues to the western Ottawa city limits—a little better than four miles—was opened October 2. Completion of the 10-mile Ottawa Queensway is scheduled for 1965. The Queensway forms part of the main Trans-Canada route through the province but is being constructed under a separate agreement with the federal government, The Department of Highways, the city of Ottawa and the National Capital Commission.

On the main Ontario route of the Trans-Canada highway, more than 212 miles of existing highway were reconstructed to meet or better standards set for this highway by the federal government, and 12 new bridges were completed and opened to traffic.

Along the 1,453-mile main route of the Trans-Canada highway, major projects were in progress at many points. Going from east to west, some of these were: completion of the second stage of the Ottawa Queensway, which I have mentioned; the completion of a \$1 million grading and granular base job or the first stage of the reconstruction of Trans-Canada Highway 7 from Sharbot creek west for 10 miles; the seven-mile Peterborough by-pass and the Cambridge diversion on Trans-Canada Highway 12, north of Beaverton. Farther north, on Trans-Canada Highway 69, 33 miles of new highway, with a paved surface, were put in service.

Between Sault Ste. Marie and Havilland Bay on Trans-Canada Highway 17, 25 miles of new highway were paved and placed in service. Continuing north and west from the

Soo, around Lake Superior on Trans-Canada Highway 17, reconstruction of a continuous stretch of 55 miles, from Schreiber to Nipigon, was completed in 1961.

West of Nipigon, on Trans-Canada Highway 17, by the end of August paving had been completed over 20 miles of new highway between Ouimet and a point opposite Amethyst Station. Toward the end of the year the same highway was reconstructed east from Port Arthur for eight and a half miles.

Between Fort William and the Manitoba boundary, 87 miles of Trans-Canada Highway 17 were under construction during the past year. Of this total, paving was completed on 50 miles and work continues on the remaining 37 miles.

My reason for going into as much detail as I have—with respect to work on the main route of the Trans-Canada highway—is to emphasize the magnitude of the work and the accompanying expenditures which the government, through The Department of Highways, is carrying out, particularly in northwestern Ontario, on this important trans-provincial route. It is worth observing here that the cost of the reconstruction of a 16-mile section of Highway No. 17 between Cavers Hill—some 33 miles east of Nipigon—and the eastern end of the Selim diversion, which was completed this past year, works out to \$229,000 per mile. For purposes of comparison, the average cost per mile of two-lane Trans-Canada highway in southern Ontario has been approximately \$100,000.

It is pertinent to note here that, of the total of 212 miles which The Department of Highways reconstructed to Trans-Canada highway standards along the 1,453-mile route of the Trans-Canada highway in Ontario in 1961, more than 150 miles are located between Sault Ste. Marie and the Manitoba boundary.

While the cost of building completely new sections and reconstructing existing sections of Trans-Canada Highway 17 throughout northwestern Ontario—to close the former 165-mile gap between the Agawa river and Marathon was a \$40 million project in itself—has been staggering, we were gratified in the great increase in traffic on the Canadian section of the increasingly popular Lake Superior circle route in 1961, the first full tourist season since the gap was closed. Traffic between Sault Ste. Marie and the Lakehead, and from there south to the international border at Pigeon river on Highway No. 61 was, in 1961, double that of any previous year.

In this connection, I am pleased to report the completion last fall of a new international bridge at Pigeon river, the cost of which was shared equally by the department and the Minnesota state highways department. The new structure, with new approaches on an improved alignment, cannot help but make a most favourable impression on the great number of people entering Canada at this point, the western end of the 500-mile long Canadian portion of the Lake Superior circle route.

At Fort Frances, good progress was made on the spectacular Rainy Lake Causeway on Highway No. 11. The causeway itself is scheduled for completion late this year.

The paving of 53 miles of Highway No. 11 between Hearst and Kapuskasing in 1961 marked the completion of the department's sustained programme over several years to pave the entire 267 miles between Longlac and Cochrane. A new 900-foot bridge to carry Highway No. 11 over the Missinaibi river at Mattice, west of Hearst, costing more than \$750,000, was opened last October. This bridge represents the accomplishment of the department's long-term programme to replace all major structures on Highway No. 11 between Longlac and Porquis Junction.

Immediately south of Cochrane work was in progress in 1961 on the reconstruction of 22 miles of Highway No. 11. A little further south, new pavement was laid on Highway No. 11 from a point just north of Porquis Junction south for eight miles, the work being completed last April. In September a new structure over the Black river at Matheson was put in service. Still farther south, the reconstruction of Highway No. 11 between Englehart and Earleton was brought to the stage in 1961 where a base course of pavement could be laid. May saw completion of the extensive improvements to Highway No. 11 between Earleton and New Liskeard, including the Earleton by-pass.

Between New Liskeard and Latchford, south of Cobalt, work on the multi-million dollar tri-town by-pass made such good progress that grading of the first six miles of the 12-mile route has been completed.

The projects to which I have referred are convincing proof of the scale of improvement, on a continuing basis, which the department has been carrying out on the 625 miles of Highway No. 11 between North Bay and Nipigon that provides the northern route of the Trans-Canada highway through Ontario.

In the Timmins area, the extension of Highway No. 101 west through the wilder-

ness for 60 miles to reach Chapleau, is open and gravelling will be done in the spring, with an official opening planned for June, 1962.

Although construction and maintenance on Trans-Canada Highway 17 and other King's Highways represent the major expenditure on road building, significant projects were under way on roads-to-resources and forest access roads. These roads play an important part in the economy of the district, not only in opening up new areas, rich in natural resources and scenic beauty, to industry and tourists but also by employing local labour in their construction.

The Spruce river road, running north from King's Highway No. 17 just east of Port Arthur is one of the roads being built under the roads-to-resources programme. Already 56 miles of this road have been completed, and clearing the right-of-way for an additional 8.5 miles is now under way.

Construction of another resources road from Savant lake south to connect with Trans-Canada Highway 17, in the vicinity of Ignace, has continued during the year. The 15 miles immediately south from Savant lake has been completed and the construction of an additional 13 miles, as well as construction of a bridge over the Sturgeon river, is progressing according to schedule.

As the examples which I have cited bear witness, The Department of Highways again in 1961 made a most impressive contribution to the economic growth of northern and north-western Ontario through a great expansion of the highway system.

I shall conclude my tabling of some of the highlights of the highway programme in northern and northwestern Ontario in 1961, with the observation that the changes which have been wrought on the King's Highways in that part of Ontario in the past few years would, less than a decade ago, have been considered desirable but well beyond achievement in so short a period of time.

Time does not permit a similar examination of highway construction in other regions of this far-flung province and so I shall refer only to some of the freeway construction. In southern Ontario the major emphasis in 1961 was to continue the accelerated programme on Highway No. 401 and progress was excellent. On Highway No. 401 alone we completed 77 miles of grading, 75 miles of paving and 47 structures.

Work continued on the section of a new controlled-access Highway No. 403 which will pass through and around Hamilton, the section

know locally as the Chedoke Expressway. For some months now, work has also been under way on the section from the Queen Elizabeth Way, in the Burlington area, west to connect with the Hamilton section, in the vicinity of Highway No. 6.

Construction is progressing well on Highway No. 405, a high-speed freeway to connect the new international bridge between Queens-
ton and Lewiston with the Queen Elizabeth Way.

To summarize the work done in 1961 throughout the province, these are the vital statistics: Capital contracts were completed on 611 miles of grading, 506 miles of paving, and 103 structures—96 of which are already in service.

During 1961 a total of 168 miles of roads of various types were incorporated into the provincial highway system. These roads, previously under the jurisdiction of local authorities, were assumed by The Department of Highways to improve and extend our provincial highway network. In many instances an increasing volume of traffic on these routes placed a heavy maintenance burden on the municipalities concerned.

The most notable among the roads assumed were: the 37 miles of county road between Winchester and Smiths Falls, which became part of Highway No. 43; the 25 miles of county road between Highway No. 3 at Courtland and Long Point provincial park became part of Highway No. 59, and Highway No. 60 was extended 17 miles east from Eganville to Highway No. 17.

The summary which I have given of highway construction in the year now ending leaves unmentioned, as I have indicated, a much greater number of projects than those to which I have referred. This therefore seems to be a fitting point at which to report that since 1945 the department has improved in one way or another 88 per cent of all King's highway mileage. That is, the mileage in existence today which has not been either built as new mileage, reconstructed or resurfaced since 1945 represents only 12 per cent of the total.

Maintenance of Ontario's 12,000 miles of King's Highways and secondary highways remains one of the department's most challenging and complex jobs. The assumption of 168 miles of road, to which I have just referred, coupled with the natural growth in mileage through new construction each year—particularly the new four-lane sections of Highway No. 401—means an ever-increasing work load for the maintenance crews. Without go-

ing into detail, I need only point out that the mileage of multi-lane King's Highways snow-plowed this winter is 740 miles, compared with 577 only the winter before—an increase of more than 25 per cent. The mileage of two-lane highways being maintained has shown a jump from 11,509 to 11,947.

A forward step which was completed before the end of 1961 and which has already been of very great help in enabling the maintenance crews to keep up with the growing demands upon them, was the expansion of the department's own mobile radio communication system. The system now covers most of southern Ontario with about 300 mobile units. The instantaneous, on-the-spot reports which the system makes possible has year-round advantages for the department, but its benefits for motorists are greatest in the winter months because it speeds by many hours the work of winter maintenance crews in keeping the highways clear and in the safest possible travelling condition.

That the winter maintenance crews are doing a wonderful job is obvious to everyone and I here wish to congratulate them for this, as well as for their year-round performance. The combination of men devoted to their work, coupled with the finest, most modern equipment, has earned for the province a reputation for highway maintenance second to none on this continent.

I shall conclude this review by mentioning only two or three developments of importance in the field of policy during 1961. One of these was the announcement in July by my hon. predecessor that The Department of Highways, realizing the place which air travel now holds in the total transportation system of the province, planned to construct new controlled-access roads between major airports and the communities they serve. The earliest possible start will be made on new routes between Malton Airport and Metropolitan Toronto, to be followed by similar road construction between Uplands Airport in Ottawa, and at London.

In 1961 the decision to provide service areas on Highway No. 401 was made and it is expected that some of these will be in operation this year.

The Department of Highways some years ago instituted pre-qualification procedures for the purpose of expediting the work on many of our major contract awards. Now that these procedures have been in effect a sufficient length of time we are making a complete re-examination of these procedures. Far from being an indication that the procedures have

not been successful—which they most definitely have—this latest step on our part is, in fact, a search for ways and means of possibly making the present procedures even more effective. I am pleased to report that to date not a single contractor who was awarded one of our pre-qualified contracts has failed to complete the contract satisfactorily.

Before giving the hon. members details of The Department of Highways programme for the coming fiscal year I should like to draw to their attention the fact that the net expenditures—after allowing for estimated refunds—for which we are budgeting, will be \$7,994,000 more than the estimated total for all sources of revenue which will be made available to The Department of Highways in the same period. These sources include the collection of the gasoline tax, the issuing of motor vehicle permits and licenses, the motor vehicle fuel tax—diesel—and miscellaneous sources, such as property sales. Total estimated revenue is \$256,306,000, almost \$8 million less than our estimated net expenditure.

There is just not sufficient money available for The Department of Highways to do all the new construction as well as reconstruction desirable unless the provincial debt is to increase beyond all reasonable limits.

We are proposing a gross expenditure of \$274.8 million and estimated refunds of \$10.5 million from Trans-Canada highway and other agreements, leaving an estimated net expenditure of \$264.3 million.

The table below provides a comparison of the estimates for the forthcoming fiscal year with the one just ending.

We are raising our municipal assistance by almost \$9 million—from a net now estimated at \$81,190,000 for the fiscal year ending—to an estimated \$90,085,000. This increase follows an upward trend which has continued since 1957. In that period not only have the amounts increased considerably but they have also increased in terms of the percentage of our net total expenditure.

Another significant trend is that each year the total annual expenditures by the municipalities on road construction and maintenance keep getting closer to the net expenditure by The Department of Highways for its own highways. The climb upward has come from 70.5 per cent for 1957-1958 to an estimated 97.5 per cent for the coming fiscal year. It is estimated that for the 1962-1963 fiscal year the municipalities will spend—including the subsidies from the department—no less than \$169,697,000, compared to the department's estimated net expenditure of \$174,215,000 on King's highways proper; that is, before allowing for municipal assistance and other additional amounts.

An Appendix A attached to copies of this address—see page 1245—provides in tabular form, figures to show the types of comparison I have mentioned.

The trend to urbanization in many parts of Ontario is evident on all sides. Many areas have doubled their population since World War II, while others have multiplied almost beyond recognition. What is not so evident is the strain which this expansion has placed on the roads and streets and, of course, the financial resources of the communities concerned. Many roads under municipal jurisdiction are now carrying daily traffic loads well above those found on a number of our King's highways.

What has been happening in the urban centres is also taking place in the rural areas and the government is aware of the ever-increasing load being borne by many rural roads. These roads must be built to, and maintained at, a high standard to promote economic growth and to keep pace with greatly increased traffic—for example, the growing number of school buses which travel an ever-greater number of miles each year. It has been truly observed that many a rural-appearing township road has become, of necessity, a high-capacity road differing in designation only from the highest standard of King's highways.

	1962-1963	1961-1962
King's Highway — capital	\$ 135,552,000	\$ 144,105,000
King's Highway — maintenance	45,153,000	44,526,000
Municipal assistance	90,085,000	85,335,000
Head office expense	4,010,000	3,974,000
Gross expenditure	\$ 274,800,000	\$ 277,940,000
Less: Refunds	10,500,000	10,000,000
Net expenditure	\$ 264,300,000	\$ 267,940,000

There is a financial limit to what the municipalities can do to try to cope with their road and street problems, notwithstanding the fact that the department does assist them very substantially indeed. The Department of Highways is well aware of their difficulties and wants to assist them in every way possible to the end that roads at all levels of municipal jurisdiction will be adequate to the traffic using them. Roads and streets, wherever they may be, have a vital function in the total transportation needs of Ontario.

In the summer of 1961 The Department of Highways set in motion a special study project to make an exhaustive review of fiscal policies for highways, roads and streets throughout Ontario. Working in close co-operation with the provincial Departments of Economics, Municipal Affairs and Transport, the department has solicited the opinion of all the many interested bodies in the province. Thus the research project will have a basis sufficiently broad to bring out all pertinent facts. Municipal financing, as it pertains to road and street construction, will be subjected to a most painstaking examination. It is expected that these studies will point the way to new approaches for the financing of highways, roads and streets and offer a measure of relief to the hard-pressed municipalities.

It is anticipated that those directing the study project which I have just described, will be in a position to make a preliminary report this spring. One critical problem on which it is hoped progress can be made before too long is the matter of sections of King's highways passing through or around urban centres, particularly with regard to controlled-access highways, and the financing of them. The department is equally concerned with the municipalities to find solutions in this sphere which will be mutually satisfactory.

The implications of the special study of the financing of highways, roads and streets now in progress, are so far-reaching that I wish to commend the man whose idea it was, a man who has been in the vanguard of so many progressive procedures in highway engineering, the Deputy Minister of Highways, Mr. W. J. Fulton. Since coming to this department as Deputy Minister, Bill Fulton has been a tower of strength to me, as he was to those who came before me. I do not think I could do better than quote from the remarks that were made on the occasion when the Deputy Minister, last September, was awarded an honorary life-

membership in the Canadian Good Roads Association in recognition of his 40 years of long and dedicated service in the development of Ontario's highways:

If you want to see a tangible testimony to the effectiveness with which he has worked, take a look at the tremendous system of highways in the province of Ontario. . . . More than any other man, Bill Fulton has been responsible for the planning of them.

One aspect of our budgeted expenditures in the field of municipal assistance, which I wish to underline, is the increase of \$1 million for the construction of development roads, marking a new high of \$9 million, compared with the previous total of \$8 million. This increase means that greater expenditures on development roads can also be expected in the years to follow because of the fact that the new work begun in 1962 will be mainly pre-engineering.

The basic concept of development roads is that The Department of Highways, on a 100 per cent basis, undertakes to improve local road systems materially throughout the province where such work cannot be financed by the local authorities. In most cases, the work involves improving existing sections of county or township roads, rather than the construction of an entirely new road.

The stepping-up of our programme of development road construction is another instance of the department's concern that the greatest possible total mileage of roads of all types will provide the maximum service in all parts of Ontario.

The year 1962 may well come to be regarded in later years as one which marked a turning point in the drawing closer of the municipal road jurisdictions and The Department of Highways—for reasons which are all around us. Not only are the physical requirements for roads increasing at a rate never before experienced, but the techniques of road building and maintenance are becoming increasingly complex and varied. In fact, one problem constantly confronting The Department of Highways is that of finding the best means by which this mass of engineering and technical knowledge can be passed on to the municipal road authorities, in ways which will be of the greatest practical assistance to them so that they can gain from the specialized knowledge of many fields acquired by this department's engineers.

There is no doubt in my mind that the adoption of many of these new techniques by the municipalities will enable them to

obtain the best possible results from the funds available to them. We realize that many of the techniques of which I speak are not applicable to all municipal jurisdictions, but we are equally sure that many of them could be adopted by a large number of municipalities.

Since the proof of the pudding is in the eating, The Department of Highways has decided to carry out in the very near future some actual demonstration projects of some of the new practices and techniques on carefully selected township roads. Owing primarily to geographical factors which affect construction costs, construction techniques vary throughout the province. Nevertheless, some of these new methods have wide application within fairly large areas in different parts of Ontario. For this reason, I do not feel it is necessary to carry out very many such demonstration projects, nor does it require doing so over any substantial length of road. The department will supervise and pay in full for the actual construction required to demonstrate the new techniques.

The department has been working much more closely in recent years with the municipalities to help them in many ways other than the financing of their respective programmes. An excellent example is our co-operation in assisting many of them to solve, in part at least, some of the pressing traffic problems which confront them. The department has encouraged many municipalities, both individually and, in some cases, on a regional basis, to undertake traffic studies. In addition to subsidies of up to 75 per cent for such studies—when carried out in a manner approved by the department—we also provide, when requested, expert technical personnel.

The response to our offer has been most heartening. It is our conviction that only through proper and overall planning of this type—having regard to the complete transportation requirements of any given area and the various forms of transportation available, such as public transit—can adequate road systems be provided without duplication and at minimum cost.

Very recently the department began to implement the final stage of the integration of its municipal roads branch with the King's highway or operations branch, the result of which will be that the district municipal engineer will now be directly responsible to the district engineer. In effect this means that the district engineer will now be concerned with the projects being

planned or currently in progress in the municipalities within his district administration—and not only King's highway work as formerly. This move holds many advantages for the municipalities and it is expected that more and more of them will avail themselves of engineering and technical assistance through our 18 district offices.

I wish to stress the point that the integration I have described had, as one of its principal motives, the objective of making still more assistance available to the municipalities, with no intention whatsoever of imposing some measure of control on them. We have experts, some of them leaders in their field on this continent, for soils analysis and a whole host of highly specialized forms of road engineering, and we hope that the municipalities will call upon these skills, for the benefit of all concerned.

I have, admittedly, gone to unusual length in my remarks to point up the change in road requirements—that is, roads of all types, and not the King's highways alone—which we are witnessing in the province. At a time like this we might well ask ourselves, "What direction should the highway programme, as a whole, be taking?" It is my conviction that we should consider the importance of roads from the standpoint of the service they perform five days—or even better, seven days—a week, 52 weeks of the year, rather than how they accommodate heavy week-end traffic to the resort areas or other "once-a-week" places.

There is, however, one significant change in the year's capital construction programme about which there is no question at all: the decision to complete, as quickly as possible, several projects which we have been attacking on a more gradual schedule until now. In the past, simply in an effort to get under way as many as possible of the projects most urgently needed, we have, at times, spread some of these over a number of years. We feel, at the present time, that some of these should be completed as soon as possible so that the roads may serve the purposes for which they were intended. The most notable of these are: the completion of Highway No. 11 between Atikokan and Fort Frances; the extension of Highway No. 101 from Chapleau to Wawa on Trans-Canada Highway 17; and the speedy completion of the reconstruction of Highway No. 68 from Espanola to Little Current. Work on all these projects has been under way for some time, but our 1962-1963 programme has been scheduled to ensure their completion at the earliest

possible date. I have described the speedup as a "crash" programme and that is just what it is. This policy will guide our future planning.

Before outlining briefly some of the more notable projects on the new programme I wish to say once more that we cannot do everything at once. I notice, for example, that we are carrying forward work on 176 capital contracts, almost exactly the same as the 174 we carried forward into the year ending March 31.

With respect to the work we have planned for northern and northwestern Ontario—that is, everything north of North Bay—I should point out that the value of the new work we plan to award will be greater this year than last. Looking farther ahead, we have already planned work for the 1963-1964 programme which we anticipate will be still higher in dollar value.

The annual level of expenditure in each of our 18 districts is not, and cannot be, either stable or constantly rising. It is definitely the case that there is an ebb and flow in southern Ontario as there is in the other parts of the province, which is what we would expect when we consider the nature of highway construction. At the height of a major project, such as the closing of the gap on Trans-Canada Highway No. 17 north of Sault Ste. Marie, there are, obviously, higher than normal expenditures earmarked for that single project over several years. Once it is completed, it takes time before a similar stage is reached on other projects which compare in magnitude. The same situation has been duplicated on Highway No. 401. Once the route has been completed over the full distance it will not require the annual expenditures we are making now to complete four lanes on sections where there are now only two lanes.

The programme which I am presenting ensures continuation of the improvement of the King's highways, dispersed equitably throughout the province, and the same high standard of maintenance for which the department is justly noted.

There will be an acceleration of the work on several special projects in northern and northwestern Ontario, which I have previously detailed. In southern Ontario emphasis will be placed on the section of Highway No. 403 from the Queen Elizabeth Way to the western limits of Hamilton and a start will be made on the Brantford by-pass section of this freeway. Work will be carried forward on Highway No. 405 from the site of the new international bridge at Queenston to the

Queen Elizabeth Way, and on the Homer Skyway over the Welland canal.

Construction will get underway on a four-lane, controlled-access highway, No. 58, within the city of St. Catharines. When completed, this trunkline highway will connect the major population centres along the Welland canal from Port Colborne to the Queen Elizabeth Way at St. Catharines.

Considerable work will be done on the Trans-Canada highway to bring more miles up to standard; and the third stage of the Ottawa Queensway section of this highway will have several contracts in progress.

Other special projects are the widening of Dixon Road to four lanes between Highway No. 27 and the new Toronto International Airport at Malton and a new, multi-lane, controlled-access route from the Renforth Drive interchange on Highway No. 401 to the same airport.

We plan to open 89 miles of Highway No. 401, which will bring the total miles in service to 466 by the end of 1962 and make possible a through drive from Cornwall to Highway No. 76, west of London.

Construction of the first phase of widening sections of the Toronto by-pass section of Highway No. 401—from the Hogg's Hollow bridge to Avenue Road—will get underway, as well as the widening of structures between Avenue Road and the CNR line, just east of Keele Street.

Questions have been raised in connection with the department's decision to pave only two lanes on some sections of Highway No. 401 instead of doing all four at one time. In the hope of clarifying this matter once and for all, I wish to state that the department's primary concern from the beginning has been to put in service a paved surface over the full 510-mile route of Highway No. 401 at the earliest possible date. In order to meet our promise of achieving this objective in 1963 we have had to build several sections on which only two lanes have been paved. However, let me assure the House that paving operations will continue without interruption until four lanes are completed over the entire length of Highway No. 401.

The programme which I am tabling in this House has, like the ones which have preceded it, been most painstakingly assembled, having in mind the funds available and the urgency of the specific projects which survived the final selection. The yardstick has been the measurement of the contribution which each project of new highway construction will make in promoting the economic

growth of the province and the welfare of its people.

Copies of the capital construction programme, the municipal roads programme, and a copy of this address have been placed on the desk of each hon. member.

On vote 701:

Mr. R. C. Edwards (Wentworth): I would remind the hon. Minister that his timing is somewhat out. The copies of the two volumes he spoke of have not yet been placed on hon. members' desks.

Mr. Chairman, at the outset I should like to congratulate the new hon. Minister on his very important appointment. He is personally well regarded in this House. We know he will administer his department with the same conscientious endeavour that has always characterized his work in the past. We wish him well and sincerely hope and trust that he will bring order into the administration of this very important function of government.

I might say, Mr. Chairman, that there is a natural desire, when considering estimates, for us to want to be complimentary to our hon. friends opposite. Nevertheless, sir, we are reminded of our duties to this House and to the people of Ontario and, while still cast in the role of Opposition members, to our present system of government. If then, sir, the remainder of my remarks are not complimentary in a sense that the government would like, it is my hope that they will at least be courteous so that perhaps as a result of these suggestions the hon. Minister will in the years ahead make such changes as to change the tenor of any remarks that we might be persuaded to make in next year's estimates. Broadly speaking, my criticism of the government today can be classed in the following broad headings: (1) The lack of detail in the information submitted to this House, and the estimates which are still being considered; (2) The inconsistency in the amount of the estimates as related to previous estimates of the department, and as related to the study and the need for economic growth in this province; (3) The lack of order in the stated method of financing our roads, in the matter of assistance to our municipalities, and in relation to the over-all programme of roads and highways in Ontario; (4) The continuing lack of efficiency which could be eliminated by an announced, priority-rated, long-term approach to the construction of our roads, conducted on a basis of need, and free from political interference; and (5) My general observations indicating hardship to the overburdened taxpayers of Ontario, as a result

of the disorder engendered by the foregoing weaknesses in government.

Mr. Chairman, I am constrained to again draw to the attention of the government the manner in which we are again being asked to vote the estimates of this department, in consideration of the very substantial amount of money that is involved.

The amount of money that we will be required to vote today will approximate 25 per cent of the entire cost of the provincial government over the next year. Over the past four years over \$1 billion have been voted to The Department of Highways. It is significant, then, that these estimates are without parallel in any of the other departments when related to the amount of detail which is given to hon. members. I might stop here long enough, if I may, to commend the hon. Minister for his courtesy in making available to the hon. members an advance copy of his address. It allowed us sufficient opportunity to follow his remarks and to be familiar with his general comments this afternoon.

While I am in a congratulatory mood, I think it would be proper, on this side of the House, to congratulate the Deputy Minister on the very notable achievement which was made mention of by the hon. Minister this afternoon. We too share in that honour in congratulating him, and we are very pleased that he has been given this place of distinction. However, Mr. Chairman, I think that is about as far as I can go in congratulating the department.

Hon. members will recall that only last week we were asked to approve the expenditures of The Department of Economics and Development. The detail of those expenditures of some \$12 million was broken down into 12 different votes and yet here today we are given the duty of considering the expenditure of some \$265 million under only three summary headings which are completely void of detail.

The matter of the information submitted in the book entitled *Capital Programme*, Mr. Chairman, shows a scornful disdain for the intelligence of the hon. members of this House. The information which is available in these publications is deliberately withheld so as to make it useless for anyone who seriously wanted to examine the operations of the department. This type of procedure emanating from the hon. Minister can only leave hon. members suspicious of the motives involved, since this matter has been raised regularly by this side of the House.

If one were of a suspicious nature, Mr. Chairman, I submit that this action gives considerable scope to enlarge those suspicions. I am led to wonder just what the department is endeavouring to hide. In any event, I submit that this procedure makes it physically impossible for Opposition members to perform their function in this House, and for this the hon. Minister must assume the full responsibility.

I am speaking—and at this particular point I still have not had delivered to my desk a copy of the broad basis from which these estimates were compiled. I ask the hon. Prime Minister (Mr. Robarts) and I ask the hon. Minister of Highways (Mr. Goodfellow) if in conscience they really consider that it is possible to do any type of examination of the work which is being suggested this afternoon. It consists of 165 pages in one booklet alone. The information that is contained in that booklet is necessary—it must have been necessary to compile the estimates—and yet we are not given even the scanty details that are available in the booklet until after the time has come to prepare our criticism of the government.

Mr. Chairman, it can very well be good politics to withhold this information from the House, to hamper and frustrate the Opposition in their criticism of the government. This may be good politics in that it enables the government to cover up its failures, but it is not in the best interests of the people of Ontario. It frustrates the very purpose for which we were sent here, and that is to consider the wise expenditure of taxes, to ensure that it accrues to the best interest of the people of Ontario.

Before leaving the subject, Mr. Chairman, I should like to again appeal to the hon. Prime Minister of this province to remedy this situation before another year lapses. I have been impressed by his apparent desire to improve the manner in which reports are distributed to hon. members of this House, as a result of complaints from this side of the House under the other estimates. I would respectfully draw this to his attention again today in the hope that he will remedy this unsatisfactory situation which is not conducive, I submit, to good government.

Hon. Mr. Goodfellow: I would say that I am in agreement with the hon. member for Wentworth (Mr. R. C. Edwards). I think these estimates, or the information for the whole House, should be broken down in greater detail; and it is my proposal to this House that this will be done next year.

Mr. R. C. Edwards: Well, Mr. Chairman, I thank the hon. Minister for conceding this far. I wonder, while we are discussing it, if the hon. Minister would agree to consider the placing of the money value and further details in the *Capital Programme* booklet which is available to hon. members? Would he consider expanding it that far? I do not think, while dealing with the subject, that it is unreasonable for us to suggest, if the government is truly endeavouring to bring about the wisest expenditure of the tax fund, that it be brought out into the open so that it can be fully criticized by the Opposition. It is true that our responsibilities are to be critical, but only in the effectiveness of that criticism will the taxpayers of the province benefit.

As we look around the province we see great construction taking place within The Department of Highways, and yet we are frustrated when we endeavour to find out whether or not the actual carrying out of that construction works to the best benefit of the taxpayers. I shall have some further questions to put to the hon. Minister with respect to these matters later on, but I do thank him for this concession. It is my hope that he will be sufficiently informative so as to enable us to do our job effectively.

Hon. Mr. Goodfellow: Mr. Chairman, while we are on this subject, I would not want the hon. member to take all the credit because I might say that the estimates were prepared for this budget before I took office. I pointed out to the hon. Prime Minister in the month of December that I thought the estimates were too scanty as presented to the House. That is why they are not changed this year.

Mr. R. C. Edwards: Mr. Chairman, I think the hon. Minister's attitude does indicate that he is interested in doing an efficient job here. I commend him on his attitude.

With respect to the amount of the estimates, Mr. Chairman, I suggest that the hon. Minister has failed today to offer a reasonable explanation for the order of development of our roads system, when we consider the cut-back of the estimates before us now. For instance, I note that the appropriations for King's highways and secondary roads is some \$18 million below last year's estimates. These figures relate directly to the engineering needs study which was completed by The Department of Highways in 1958 and which has been referred to frequently in this House since that time.

We are all aware of the conclusions of that report, which indicated the need for a gradual

build-up over a 20-year period, and we also know that this report suggested that it was desirable for the build-up to take place during the early years following this study. Perhaps then, it is now in order to ask the hon. Minister how his present programme fits into the study which has been referred to by the previous Minister as a blueprint for future operations. If the department has discarded this programme, I suggest that hon. members of this House should be so notified.

I find it difficult, Mr. Chairman, to reconcile the programme before us today when the statements of fact, as given on page 42 of the needs study to which I referred, states as follows, and I quote from that report:

The economic growth of the province and the safety and convenience of its people call for the earliest possible improvement of all highway, road and street systems consistent with a sound financial position.

It is difficult to co-relate the position taken by the department today with the position of the hon. Minister of Economics and Development (Mr. Macaulay) a few days ago. That hon. gentleman indicated that not a stone would be left unturned in an effort to stimulate the economic growth of the province.

Notwithstanding the fact that our road system is of extreme importance in achieving that goal, the hon. Minister in his estimates today has indicated that the government really has no intention of meeting the needs of our highway system, which are so necessary to the orderly economic growth of the province. I suggest that this truly indicates that either there is no co-ordination between the two departments—that is, The Department of Economics and Development and The Department of Highways—or else the grandiose statements of the hon. Economics Minister are intended for window-dressing. To the observer, in any event, the two hon. Ministers appear to be working in opposite directions.

Let me say here, Mr. Chairman, that it seems to me that there does not appear to be any imagination with respect to the true purpose of highways in our development. There are many who would tell us that the economic growth is directly related to our communications and our transportation system; and highways certainly could, to a large extent, help that programme if we really wanted to proceed with the matter of decentralization. I think that good and orderly planning in our highways system would have a very decided effect on decentralization, which hon. members on both sides of this House have suggested in previous

years was desirable to the over-all development of this province. We believe that the roads should be constructed, and planned, before the need is already there. I think that highways should go in advance of that need, rather than always be in the position of trying to catch up on the backlog of construction which we should have foreseen in the first instance.

Dealing with this subject, Mr. Chairman, I think one of the most glaring weaknesses in The Department of Highways at the present time is this lack of planning with respect to the financing of our highways programme. There really does not seem to be any government planning with respect to the clear-cut responsibilities of the departments that are supposed to be responsible for determining this policy.

You will recall a few days ago, sir, while dealing with the estimates of The Department of Transport, I quoted from two different government publications which indicated that one of the responsibilities of that department was to determine plans for taxing vehicles to provide the funds for construction and maintenance of our roads. It only adds to the confusion when we realize that The Department of Highways is likewise conducting a study, ostensibly for the same purpose. For instance, on May 2, 1961, the then hon. Minister of Highways (Mr. Cass) requested the automotive transport association to submit their views on this very same subject to The Department of Highways. Perhaps at an early date, Mr. Chairman, the hon. Prime Minister (Mr. Robarts) will inform this House which department is responsible for this very important policy determination.

Since these conclusions are so important to our entire transportation problem, it should not seem unreasonable if we were to ask that we be given some answers now. Hon. members will recall the words of the hon. Minister of Highways, and I quote from March 16, as far back as 1959, from the *Hansard* report. The then hon. Minister of Highways said:

May I say this about policy considerations. Because of the importance of provincial subsidies in road and street development, and the new challenges which arise because of the job ahead, the need for re-expanding studies is apparent. The Department of Highways has recognized this and a study is under way.

This statement did not take place in 1961, or 1960; it took place in the year 1959. Yet the hon. Minister of Highways comes to the

House today and tells hon. members that a study was commenced in 1961.

Now there is a difference in the statements which are made, Mr. Chairman, and I suggest that it is the responsibility of the hon. Minister to tell us whether or not a study did take place in the year 1959 and 1960 and up until early 1961, or whether or not the statements which were made by the hon. Minister at that time were, in effect, just so many words. We have been complaining, on this side of the House, for a number of years, about the lack of actual policy in determining the financing of our roads. It is a serious problem, and until the financing study is completed, I suggest that the work indicated in need study cannot be carried out in an orderly and businesslike fashion.

There are many in this province who feel that revenue from vehicle taxation will be more than sufficient to take care of the long-run cost of our roads. They feel that revenue from this method should not be used to finance other phases of government activity. They feel, instead, that perhaps other facets should continue to contribute to our roads programme.

We are reminded by the automotive transport association in their brief, a copy of which was forwarded to hon. members of this House, that the tourist industry is very dependent upon adequate roads for the development of that part of our economy. They suggest that the development of our natural resources is dependent upon our road system, and likewise education—I think the hon. Minister mentioned it this afternoon—is more dependent upon our roads which enable school bus services to develop central school organizations.

These problems simply serve to emphasize the need for some type of an announced, long-term plan of financing for our highways. It seems useless, Mr. Chairman, to analyze our problems as has been done by the need study if we do not seek to solve the problem in an orderly fashion. If we had such a long-term plan we would not be facing the problem that has become familiar to this House, when the estimates are up one year and down the next. When this happens, Mr. Chairman, it only leaves the observer with one opinion and that is that the amount of the estimates in The Department of Highways had no direct bearing with the needs, but rather only the political considerations of the over-all budget.

The municipalities in turn have a right to some guidance and leadership from this government in the matter of solving their

problems. Certainly there does not seem to be any equity in the method of distribution of subsidies at the present time. It would be interesting some time, if the hon. Minister would explain the formula which permits rural municipalities one rate, towns and cities another, and so it goes. It is not easy for a town or city in turn to receive 33½ per cent of costs of roads while Metropolitan Toronto in many cases receives 50 per cent.

It is well known, Mr. Chairman, that municipalities are unable to carry out the needed road projects simply because the funds are not available. Because of their limited tax base, which is restricted to real-estate taxation, their problems are getting worse. The lack of positive action by the government in meeting this problem is not helping these people at all.

Again, referring to our need study, we are reminded that the backlog of construction need is at the municipal level and sooner or later some kind of relief will be necessary from this level of government if the lower levels of government are to carry out their responsibilities.

I was interested, this afternoon, in the remarks of the hon. Minister when he suggested that the government is aware of these problems. I suggest to you, Mr. Chairman, that simply being aware of the problems is not enough. I think the time has come when this government has got to come forward with some positive method of financing these roads and bring some order into the entire department.

For some years, Mr. Chairman, we on this side of the House, have been advocating a federal-provincial-municipal conference to work out some readjustment of responsibility. These roadways could very well be part of that problem and should be included in any such conference.

Summing this up, Mr. Chairman, I am simply suggesting that, as long as the government delays the determination and long-term plan of financing our road system and announcing it, independent of other taxation, the longer we will have to wait to attack this problem of road building in a businesslike manner.

Mr. Chairman, it seems to me that it would not be difficult for The Department of Highways or for the government to sit down and estimate the revenue which will be forthcoming from our highways system over the next 20 years for planning purposes. Having done that—and we have suggested it before—they could borrow against those revenues without having any effect on the economy of the province.

Hon. Mr. Goodfellow: We have all that information projected 20 years into the future.

Mr. R. C. Edwards: I appreciate the fact—I intend to ask the hon. Minister later with respect to the information he has—but let me remind him—and I appreciate the fact that he is new to this department; I hope that he is going to bring a conscientious approach to it—that he is supposed to endeavour to solve the problems of The Department of Highways and not the problems of keeping the Conservative government image satisfactory before the public. As long as we keep juggling these affairs we are never going to bring order into the matter of financing our highways. When we consider the relative importance of the cost of those highways in the overall budget I suggest, Mr. Chairman, the time has come to bring some order into the financing.

Now let me say here that if we were to build the roads now we could to some extent plan the development of the province, particularly with respect to decentralization. If we have the roads the revenue from those roads would very well serve to pay off the money which was necessary to be borrowed to construct them now.

If we were to follow this programme, Mr. Chairman, and construct the roads now, we could do something about planning the development of the province; but I submit to you, sir, that as long as this matter is left without positive action it does not make much sense for the hon. Minister of Economics and Development to come here and tell us that the government is really attacking the problem. Highways are elementary to the attacking of this problem; and unless some positive order comes into this particular phase of the development I do not think that we can expect a maximum result to come from The Department of Economics and Development.

Interjections by hon. members.

Mr. R. C. Edwards: Mr. Chairman, it actually amuses me when I come to this House and have some of the hon. members opposite, who have been here a lot longer than I have, start talking about the Mitch Hepburn era. Apparently the hon. member for Sault Ste. Marie (Mr. Lyons) is not aware that this took place some 20 years ago, and this type of comment shows that they really do not want to attack the problem at all; they are simply interested in hurling remarks for political purposes. If the hon. members opposite are going to live in the past, that is their prerogative, but let me tell the hon.

members that as long as I take my place in this House I am going to make my contribution as I see it to the orderly development of this province in the future.

Mr. Chairman, in dealing with the matter of priorities in highway development, I think the government could make public any such priority system, if indeed one does exist. Certainly such publication would leave the department free of charges of political expediency in the choice of road developments.

I certainly would not accuse the present hon. Minister of being responsible for this. I was very pleased to hear his remarks this afternoon that he intends to pull together all these loose ends of the little projects that were started here and started somewhere else, and which we on this side of the House feel might have, at some time in the past, been due to political considerations rather than the actual needs of the roads. I am likewise sure, Mr. Chairman, that the hon. Prime Minister (Mr. Robarts) would want me to draw his attention to the fact that there are people in the province of Ontario who are somewhat suspicious that political expediency did have a hand in at least one of the recent announcements made by The Department of Highways.

It seems somewhat more than coincidence that the time of the last by-election would be chosen to announce the rebuilding of the Cockshutt road, part of which runs through the riding of Brant which was in the throes of a by-election. It might not have seemed quite so apparent, Mr. Chairman, if anyone other than the Conservative candidate had had a hand in that announcement. I am sure, sir, that there will be those opposite who will be quick to assure me that this was all a matter of coincidence in the timing of the announcement. I would simply point out to the hon. Prime Minister that an announced priority system of development, that was well known in advance, would preclude any future possibility of political manoeuvring and in the long run would result in the roads being built where they were needed, rather than where they were convenient politically.

Now, Mr. Chairman, I would say this: that as long as we refrain from bringing this matter of priority in the road system out in the open, any government that is in power will have to bear the consequences of being accused of political considerations. Certainly there is no reason why this whole thing cannot be brought out in the open so that everybody would know our policy over, say, the next five years. We in the Opposition certainly have no indication, other

than some broad general statements, as to where the roads are going to be built in the next five years, what the planning is with respect to those roads; nor have we any opportunity to comment on the desirability of the priorities which are effected in the first place. I suggest that such a plan would have an effect on the orderly economic growth of our province and might assist, as I have said earlier, in encouraging decentralization of industry to the benefit of all municipalities of this province.

Certainly, if we can determine what our 20-year needs are, it should likewise be possible to determine a 20-year programme for the development of those needs. These must be known to the department. The department must very well know what our needs are and where the programme is going to be, because these matters would be elementary to the production of the study that we have talked about so often in this House.

In dealing with this same matter of the announced programme of The Department of Highways, I should like to deal briefly with a recent announcement of The Department of Highways which resulted in considerable hardship and financial losses to many of the taxpayers of this province. I refer in particular to the decision to place service station outlets on Highway No. 401.

Let me make it clear at this time, Mr. Chairman, that I am not criticizing the establishment of these centres, but rather the method by which it was accomplished. This decision is about the best example we can currently find to indicate the bungling and lack of planning by the government in the first place. This highway has been in the process of construction over a 20-year period. During most of that period the government has indicated publicly that outlets would not be permitted on the road and no provision was made for them. Because of this policy on the part of the government, numerous taxpayers established service facilities at what seemed to them to be strategic points of access from the highway; I would think it is not unreasonable to suggest that the provision of these services necessitated expenditures of considerable sums of money by the individual taxpayers to enable them to be in a position to adequately service the traffic which was using Highway No. 401.

As the road progressed, Mr. Chairman, it became increasingly evident to the government that facilities would in some degree be necessary on the road rather than off the

highway. As a result, the government recently announced the decision to purchase sufficient rights-of-way to permit the installation of service outlets on the road itself.

It does not—

Hon. Mr. Goodfellow: Excuse me. These locations were established years ago. As a matter of fact, the drilling for water was accomplished at least three years ago in my own area, so The Department of Highways has owned this property. It was surplus land that was acquired with the building of Highway No. 401—we have not purchased any land for this purpose.

Mr. R. C. Edwards: Well, Mr. Chairman, I recall last year bringing this matter to the attention of the department, and it seems to me at that time I recall having seen clippings in the press of announcements emanating from the department indicating that service facilities would not be permitted. If the hon. Minister is today telling me that this is not case—

Hon. Mr. Goodfellow: I am not refuting that. I am just saying, to keep the records straight, that The Department of Highways has owned this property for years.

Mr. V. M. Singer (York Centre): All the sites?

Hon. Mr. Goodfellow: Yes.

Mr. Singer: What about Oxford county?

Hon. Mr. Goodfellow: Well, I think all of them—

Mr. Singer: Oh, no. The hon. member for Oxford (Mr. Innes) said directly the opposite. He will tell you tonight when he comes back.

Mr. R. C. Edwards: Well, Mr. Chairman, the fact of the matter is that whether or not the department has owned the land over a long period of time, and I am sure that if the hon. Minister tells me they have owned all of the land necessary over a long period of time—

Hon. Mr. Goodfellow: That was my understanding. I know that is true of the four sites east of Toronto, because I am familiar with them.

Mr. R. C. Edwards: I am sure he would not mislead the House. On the other hand, if this land was acquired subsequent to the purchase of the original right-of-way, I wonder if the hon. Minister would tell us

whether or not there was any difference in cost to the taxpayer as a result—on a per acre basis, say—of this decision being made after the original purchase. I strongly suggest that the existence of the highway right-of-way would have influenced the second purchase if such was necessary. But if they held the land, and if they had held the land all the time, then the onus was all the greater, in my opinion, on the department to make a public announcement indicating that these rights-of-way would be extended. The Minister of Highways was not prepared to make such an announcement during the estimates of this department last year.

Mr. Singer: The former hon. Prime Minister (Mr. Frost) would not let him.

Mr. R. C. Edwards: My hon. friend says the former Prime Minister would not let him. Unfortunately, the former hon. Minister of Highways (Mr. Cass) is not here to speak for himself. My hon. friend could be right, or there might be another reason. But the fact of the matter is that these announcements were not made and there are people in the province who have been hurt because the department did not have a long-term policy and did not announce it. I submit to the hon. Minister of Highways (Mr. Goodfellow) that this has cost these people money which many of them could not afford to pay. They took a calculated risk which was determined in part upon what seemed to be the policy of the government.

Before we leave the particular problem of these outlets, I think it is necessary that the hon. Minister inform the House with respect to the manner in which these facilities will be provided. I would hope that it will not be a matter of leaving this to maybe the large oil companies to determine who is going to have an outlet and who is not. I hope that it will not be the case that only the very wealthy are given an opportunity to benefit from these facilities. If the outlets are to be farmed out to the oil companies on some kind of a priority basis, and if they are the only ones that are going to be permitted the opportunity of bidding, I hope that the department will ensure that the individual operators of those outlets will not be exploited as many of them have been exploited.

I think I delivered an address in this House during my first term, pointing out the plight of the service station operators. I think that now is the time to determine a fair policy. Now is the time when the government should lay down a fair policy, so that the benefits

from these enterprises will not be restricted to the very wealthy; and so that a few will not be in a position to exploit the actual operators of the facilities. Perhaps the department might consider giving some priority to some of the people who have already been injured as a result of this decision not being made known in the first place.

Mr. Chairman, I have one other matter which I would like to touch on. I refer to the matter, or the subject, or the problem, or whatever you want to call it, of toll-roads in this province. At the present time, there are several bridges which are international in character and upon which tolls are required. In addition, we have the Burlington Skyway bridge which is the only inland structure that is tolled. The hon. Minister might correct me if I am wrong, but I believe that is a fair statement.

I suggest to the hon. Minister that since this is the case, people who use that particular bridge, when taken in relation to the rest of the people of this province, become citizens who are discriminated against because of the policy of this government. On one hand, sir, they are called to pay general taxes for the upkeep of our road system; and on the other hand they are forced to pay tolls every time they use this particular facility which happens to be in their own area.

The present indications, as nearly as I can determine, are that the Homer Skyway bridge over the Welland Canal will likewise be tolled. If such is the case, a particular group of people who use that bridge will likewise be discriminated against. I think the time has come for the government to announce some type of a policy. Certainly, it does not seem reasonable that some people should be subjected to tolls and other people not. I think that the government should indicate a policy with respect to this matter of tolls.

When do they charge tolls? Do they, for instance, only charge a toll when a bridge comes to so many millions of dollars; and if such be the case, why do they not charge a toll for some of the facilities on the expensive Gardiner Expressway? I am not suggesting they should charge tolls there; I am merely pointing out that there is a discrepancy, and as long as the government continues without some kind of an announced policy with respect to this matter of tolls, discrimination will continue and certain groups of the population will be penalized to the benefit of others. I think that the time has come to have some firm announcement as to where tolls are required and where they are not required.

Mr. Chairman, there are others matters with respect to the estimates of the department which we shall endeavour to deal with under the individual votes. As I pointed out earlier, there is certainly plenty of scope because there are only three votes. I suppose it would almost be in order for all of us to stand, make general observations, and still be in order. I do not think that is our intention. I am delighted that the hon. Minister has told us there will be a greater opportunity to go into detail next year. I thank him for that concession and with that, Mr. Chairman, I leave this general portion of my remarks.

Mr. D. C. MacDonald (York South): Mr. Chairman, as far as our group is concerned, we do not propose to take a great deal of time on the general discussion of the estimates, because most of what we wish to raise can be dealt with in specifics in these three grab-bag votes that we have to contend with as estimates for about \$275 million. However, by way of a general comment, I do want to congratulate the hon. Minister on two accounts; one, his elevation, or move—I do not know whether he considers it an elevation, he shook his head negatively—to The Department of Highways.

Hon. Mr. Goodfellow: I am looking for sympathy.

Mr. MacDonald: More important, I congratulate him for his comment during the observations of the last speaker that he was going to do something about this question of the presentation of the estimates. This was something that we were assured by his predecessor would not happen again. We would have these books placed on our desks so that we would be really equipped to do the kind of serious job that should be done from the Opposition benches. I suppose we have to content ourselves in getting things in one or two steps rather than all at once.

I also want to note and commend the one phrase in his introductory statement—the correction of some past errors in the department that we have been pounding away on relentlessly. In one instance, I do it with a degree of reservation. For example, I am pleased that we are getting on with the building of Highway No. 401 so that it will be completed; and we will not have a series of bits and pieces of highway that begin nowhere and end nowhere. This, it seemed to me by any common-sense assessment, was the wrong approach from the outset; and I am a little puzzled as to how we got off on that pro-

cedure other than perhaps by the old business of political pressures. A right amount of political pressure—

Hon. J. P. Robarts (Prime Minister): Mr. Chairman, I might just comment. It is easy for those of us who do not live in Toronto to understand why this road was built in pieces. For instance, there is a 30-mile section built around London, Ingersoll and Woodstock; and I think the hon. member for Oxford (Mr. Innes) would recognize what a benefit that has been to that part of Ontario, to have it built there two or three years before the entire road was built, because it has taken a great deal of traffic off the downtown streets of London, Ingersoll and Woodstock.

The hon. members who live in Toronto might not be aware of these things, but if they lived in the outlying parts of the province they would know that this is not political expediency, this is just good planning.

Mr. MacDonald: Of course not. I quite understand. I sat on the so-called toll roads committee with the hon. Prime Minister (Mr. Robarts)—or rather under his direction on the committee—for some time, and he will know that in the early stages this was the official approach. The error in it was acknowledged quite frankly at a later stage, during or immediately after the sittings of the toll roads committee, and it has since been corrected. Despite his high-toned rationalization of what happened, undoubtedly what played a very major role was the right amount of pressure being put at the right amount of time by the right person, so that a section was built in one area rather than somewhere else.

Hon. Mr. Robarts: I cannot agree.

Mr. MacDonald: Oh, I know the hon. Prime Minister cannot agree—for political purposes, but it does not alter the truth. The other instance, however—and this is the one I had some reservations on because I noticed the hon. Minister was a little coy—was in his change of policy with regard to building that highway from Atikokan to Fort Frances. He said that is going to be completed, but he did not say when.

Mr. W. G. Noden (Rainy River): Is the hon. member against it?

Mr. MacDonald: I am not against it. I have been pleading for it to be completed. As a matter of fact, I happened to be in Atikokan last spring after the Lions Club had held an entertainment in which some of the local poets had come up with a song.

It was in the lusty tradition of northern Ontario and I shall not repeat it down here because it would offend some of the staid southerners, but it really did a job on the hon. Minister's predecessor for no action, or no real promise of action. I commend him for indicating that they are going to move and complete this at something other than 10 miles at a stretch, which would have meant another five or six years, at least a couple of elections.

Hon. Mr. Goodfellow: We have cut it about four or five years, we are not sure. We hope to have it open in 1964, but it may be 1965.

Mr. MacDonald: In 1964 or 1965! In other words, the hon. Minister is going to do about 15 miles a year instead of 10 miles?

Hon. Mr. Goodfellow: From both ends.

Mr. MacDonald: From both sides! All I can say, Mr. Chairman, is that my reservations were more solidly based than I thought and I will be interested to see the new version of the song that they will have for the present incumbent in this ministry.

Hon. Mr. Goodfellow: Does the hon. member not think it is a good idea?

Mr. MacDonald: A good idea to speed it up?

Hon. Mr. Goodfellow: Yes.

Mr. MacDonald: Yes, really speed it up instead of dribbling it on for the next two elections, which is about what is to be done. However, Mr. Chairman, let me not get into this idle and somewhat futile politicking, as there are endless examples of it. We saw in a by-election in Timiskaming a year or two ago, in which they had spent all the money for the surveys and pre-engineering and yet for purposes of garnering a few more votes and coping with the feeling of opposition that the by-pass was too far away, the late Minister of Mines had his picture resurveying the whole route. For the purposes of the by-election it was going to be replaced, but I think it went back to the original afterwards. It had served its purposes for the by-election.

Hon. Mr. Goodfellow: I think they found engineering difficulties on the road.

Mr. MacDonald: They undoubtedly did find engineering difficulties.

Mr. Chairman, there are two aspects of this study which have been announced and re-

announced and re-re-announced and now it is revealed that it was initiated, apparently in 1961, with regard to a review of fiscal policies for highways, roads and streets throughout Ontario. I am not going to take a great deal of time speculating on this, but I want to submit that this is one of the most important things that we need at the present time.

There are two aspects of it, important points within this study, that I want to touch on briefly. One is that this past summer—I believe it was in the summer, yes in June 23, 1961—I was interested in reading in the *Port Arthur News Chronicle* a statement with regard to an agreement that had been made by the hon. Minister's predecessor with the Marathon Lumber Company to open the road north of Manitouwadge, which would connect with Caramet and give the Caramet, Stevens and Rocky areas access through Manitouwadge to the Trans-Canada highway and the Lakehead.

The point that I want to make is as pertinent to The Department of Lands and Forests as it is to The Department of Highways. I have made it before in this House, but I reiterate it again, I want to suggest to this House that it is time that we integrate our road development programme and our forest development programme, because I submit that in the province of Ontario we have been going about it very much in the wrong way from the very outset.

If I may make a contrast without getting into the details; in a province like British Columbia, when a company is given a timber limit, one of the first things that this company must do, before it starts any cutting at all, is to build its basic road system. If the company requires assistance in the financing of it, they in effect get the loan from the government and the loans are paid back on an amortized basis by the company over a specified number of years. The number of years is of no relevance at the moment.

The net result, Mr. Chairman, is that there is a basic structure of roads which, if they become part and parcel of the public roads system, would end up in a public roads system throughout the whole area.

Now what do we do in Ontario? We have a company comes in, company "X", and it spends \$50 million to establish a mill and it will spend \$500,000 to run a few basic roads out from wherever the mill happens to be. Over the years they plow back profits slowly each year—and it is painfully difficult to get profits put into roads. They can go

in many other directions, but they will not go into roads. So the very serious likelihood is that 25 years later this company still has not built its basic system of roads, the hinterland is completely beyond reach—inaccessible. Therefore there is difficulty in firefighting, frustration of any possibility of a modern forest management programme because they are not cutting to that limit, in the hinterlands of the limit. Overmature timber is being lost. In some areas disease gets in and destroys the timber resource. All of this stems from the failure to build the basic road system.

It seems to me that it is just plain common sense that we should alter our policies so that if a company is going to be spending \$50 million on a mill, they should be obligated to an expenditure of a good many millions of dollars to build the basic road system. Now if that is done on the one hand by The Department of Lands and Forests, and this is integrated with The Department of Highways, it would seem to me that the whole of northern Ontario could have a network of highways, or at least public roads, that would become available to the public to be used, instead of the kind of feudal atmosphere we have at the moment where in many instances people come and find that there is a road block because it is a company road and they cannot get in.

As a matter of fact, with the right amount of pressure, everybody can get in except the union organizer; but with no amount of pressure can the union organizer get in. The hon. Minister of Highways (Mr. Goodfellow) surely is not surprised at this. I wonder where he has been living for quite some time if he is surprised at that.

Hon. Mr. Goodfellow: I have not been up north as much as I would like.

Mr. MacDonald: Mr. Chairman, I was struck with the potentiality of this kind of development some two or three years ago. Like most people who have not been in on the limits of a company like Marathon I had thought of northern Ontario as having the northern Trans-Canada route and the southern Trans-Canada route, and I viewed all of this great area between as a great hinterland or forest wilderness in which there was no means of road transport. But after spending a couple of days on the Marathon limit I found that there was a world within the world, so to speak. Out of Manitouwadge there is a network of company roads that—when I visited them it was in the summer time, I know they

might be rather grim in the spring—but at that stage there were very good roads—a network so one could get around in all of this great area.

Now, having learned this, I was impressed once again with the basic validity of the approach in British Columbia, and I think in many other jurisdictions, and I am wondering why we have to delay as long as we have—

Hon. Mr. Goodfellow: We have done this in a number of places.

Mr. MacDonald: You see, Mr. Chairman, the hon. Minister interjected that it was done, but he is doing it in such little bits and pieces. Here I will support the hon. member for Wentworth (Mr. R. C. Edwards) who spoke a few moments ago. Why not announce a policy with regard to this, and launch it, and not do it in bits and pieces, so that each little opening of a 15- or 20-mile stretch of road can become a great event for the little Tories instead of really getting down and meeting the needs of the people.

Hon. Mr. Goodfellow: I have a list here, which the hon. Minister of Lands and Forests (Mr. Spooner) gave me, of five places where we have done this in order to open up the forest resources.

Hon. J. W. Spooner (Minister of Lands and Forests): It is done all the time, the hon. member is years behind.

Mr. MacDonald: I did not hear that.

Hon. Mr. Spooner: I said the hon. member is years behind.

Mr. MacDonald: I am years behind? I will submit to the hon. Minister that if I am years behind I am right with him, because that is where he is—years behind in the announcement of a policy in setting up this kind of road system. He has not yet come to grips with the basic business of it in his own department. However, we will get to that when his day comes with his estimates.

Hon. Mr. Spooner: Pardon me, but if the hon. member looks at the capital programme, for instance Highway No. 101, that is a glaring instance of exactly the kind of thing that is being talked about. It is being done. We do not have to announce any policy, the policy is there.

Mr. MacDonald: Is Highway No. 101 the one west from Timmins?

Hon. Mr. Spooner: It runs from the Quebec border westerly through Matheson, Timmins, Foleyet, Chapleau to Wawa.

Mr. MacDonald: Mr. Chairman, I do not want to get into an argument with the hon. Minister, but this is not the point I was raising at all.

Hon. Mr. Spooner: Sure it was.

Mr. MacDonald: This was just a new road carved out of the bush.

Hon. Mr. Spooner: Well, it was not carved out of the bush, just to carve a road out of the bush, and the hon. member knows that.

Mr. MacDonald: Was this an adaptation of a forest road before?

Hon. Mr. Spooner: Well, certainly, it started out as a mining and access road for the development of mineral resources and timber resources, and that is exactly what it is doing, plus all of the other services that the highway is going to provide. In the case of the highway from Hornpayne to No. 11, the same thing applies; or the road from the Lakehead north through the Abitibi limits; the same thing applies again.

Mr. MacDonald: Well, the hon. Minister is doing it in bits and pieces without any over-all policy, and furthermore he has set the stage so that he will have to do it in bits and pieces because of his whole financial approach, and the failure to impose an obligation on the pulp and paper companies down through the years because they do not have to get out and do it.

Now, a comparable kind of thing down in the more heavily populated southern part of the province, Mr. Chairman, of course is the whole complex of financing roads in an area like Metro. Why, for example, the government has persisted as long as it has—and whether it will change after it gets the result of this study, I do not know—with the procedure in which it will finance 50 per cent of the cost of expressways and will not share in any meaningful way in other modes of transport in the Metro area, I simply do not know. The result, of course, is that the local municipalities get into the business of building expressways. At the moment we have had one of the most striking displays of politicking—in the public battling over the extension of the Spadina expressway—that has ever taken place in the Metro area.

In fact, I would go one step further, Mr. Chairman, and say that the kind of thing

that has happened in the last two or three months—where one month there is a sizeable majority against and the next month there is a majority in favour, is one of the most suspicious switching in votes that has ever been recorded in Metro history. I think it might be interesting to find out what goes on behind the scenes. But my greatest concern, Mr. Chairman, is the kind of policy that emerges because of the basic fiscal arrangement of this government.

I can speak rather feelingly on this issue because the Spadina extension will run literally within 100 yards of my own front door. I live in a township, for example, which—like many other built-up areas—has a relatively small amount of parklands, and now faces the prospect that one of its major park areas is going to be lost; and when it is suggested by local township people that they are going to fight this through the courts because they have no intention of losing it without a fight, then the word is dropped as a warning of things to come, that if they are going to fight, then a bill will be introduced in the Legislature and that will be the end of it, the fight will be over before it starts.

This sort of rough, tough approach is in contrast to the municipal autonomy that is so often preached from the government side of the House. The only alternative is to knock down a lot of homes and provide some other parkland area and this, of course, results in a permanent loss of assessment in a municipality which, like all municipalities, is fighting for an increase in its assessment.

However, sir, these are aspects of fiscal policy. I would just plead with the hon. Minister to hasten with his study so that we can re-examine the whole basic approach rather than delay any longer.

Mr. Chairman, I did want to make one final comment—again on the question of the general financing of our highway programme. I was interested in the observations made by the hon. Liberal spokesman in introducing estimates—in fact, in one of two instances, I was puzzled by them. He envisaged the day—or he expressed the views of those who envisaged the day—when the highway revenues are going to exceed what we need for building our highways. I may be wrong, Mr. Chairman, but I think this is a never-never day that we do not need to worry about. I think the need for highways in a vast, development province such as the province of Ontario is such that we are never going to be faced with the problem of an excess in highway revenue over what we require to continue with our highway programme.

As a matter of fact, I almost wonder whether this was not setting the stage for another plea to oppose the weight-distance tax, or something of that nature, such as he was indulging in last year. I have fought almost a lone battle since we had unanimous support for this proposal on the toll roads committee some four or five years ago—unanimous including the Liberals, the Conservatives and myself on the committee. I was most refreshed to be assured by the hon. Minister of Transport (Mr. Rowntree) a few days ago that he, for one, on the government side of the House acknowledges the basic validity of the battle that I have been carrying on. All I can hope is that we will soon get greater equity in our highway revenues.

However, on the question of toll roads, this is another on which we in this group have been fighting a lone battle. I am interested to learn that the hon. member speaking on behalf of the Liberal group, appears now—in this new posture of vigorous opposition—to be taking up this issue instead of leaving it go by default. When we fought the toll roads issue in the toll roads committee the best that can be said for the Liberal spokesmen is that they changed their minds every six months—as to whether they wanted toll roads or not.

I submit that if it had not been for the consistent fight of some of us, there was a serious danger that we would have had tolls on Highway No. 401 because there were people who were seriously thinking of the proposition of putting toll roads on Highway No. 401, as an excuse for getting it completed quickly. It is like the poor folk up at Fort Frances who, if I may use the vernacular, were “sucked in” on the deal of a toll on the causeway there in the hope that they could get this government to move on this issue instead of stalling on it for much longer.

However, Mr. Chairman, there was so much vacillation on the issue of toll roads, particularly by the Liberal spokesmen during that committee, that we got ourselves into the position where today the government has toll roads on the Homer bridge, and others. Whether or not we can reverse this policy at this stage and get them taken off, I do not know, but the case, of course, for having them taken off is valid. It is valid not only for the reason the hon. member advanced, but it is valid for another reason.

These people have been suffering the consequences and the inconvenience and the overall economic loss of bottlenecks in traffic for years, and having suffered the consequences of these bottlenecks they are now

going to have to suffer the consequences of having the bottlenecks removed by paying the toll—which is discrimination against them—and they are going to be paying it for an indefinite time in the future. If we had had a consistent fight on this issue down through the years, instead of the waffling in one section of the Opposition, we maybe would not have had this problem with us today.

Mr. Chairman, the rest of the items that I and other members of my group wanted to raise, I think, fit in as isolated items dealing with one or another of the three estimates and I will leave them for later consideration.

Mr. Singer: Mr. Chairman, I just want to deal, at the moment, with one isolated item. The hon. Minister may recall that on December 11, in the Throne debate, I had certain remarks to make about the township of Clarence. The hon. Minister may recall that a special audit was ordered by The Department of Municipal Affairs. It was done by a firm of auditors, Demarais and Parisienne. There were certain other inquiries that I made which have not yet been answered directly—more particularly to the hon. Minister of Municipal Affairs (Mr. Cass). I will come back to those at the proper time.

The point I want to direct to the hon. Minister's attention, and perhaps solicit an answer from him, was this: I was advised, and I stated at that time that, as a result of the audit conducted by Demarais and Parisienne it became apparent to The Department of Highways that some \$25,000 had been paid to that municipality improperly. I was further advised, and I stated at that time, as well, that the department having conducted its own audit was working out its system of recovering those improperly paid funds by withholding further grants.

What I want to ask the hon. Minister is this: as a result of this audit, did the department take any disciplinary action or did they take up with the hon. Attorney-General (Mr. Roberts) the discoveries that they had found in this audit, and if so, what action, if any, was taken? It is a very serious thing, Mr. Chairman, to my mind that, in a municipality, some plan is worked out, or some scheme is worked out whereby a department, such as The Department of Highways, improperly pays some \$25,000 in highway grants. And it is rather surprising to me that we did not hear—

Mr. Chairman: Order. Is this under vote 703? -

Mr. Singer: Oh, no. It is under the general office. I want to know how they conduct the general office, Mr. Chairman. I want to know why, when the department had conducted this audit of their own, they did not take some disciplinary action and indicate to the hon. Attorney-General that some disciplinary action was indicated.

Hon. Mr. Goodfellow: I always understood it was The Department of Municipal Affairs that conducted the inquiry into Clarence; and as a result of their findings The Department of Highways withheld subsidies to the municipality to make recovery. We never had anything to do with it because I happened to be Minister of Municipal Affairs at the time the inquiry was instituted; I was not there long enough to see it completed.

Mr. Singer: With great respect, Mr. Chairman, as I stated on December 11, and as I state again today—as a result of the audit ordered by The Department of Municipal Affairs and done by Demarais and Parisienne, Highways went in and did their own audit, and then discovered that \$25,000 had been paid that should not have been paid.

Hon. Mr. Goodfellow: We do that as a matter of course anyway as far as the municipal audit was concerned.

Mr. Singer: Oh, yes. But there was a special audit done as a result of what had been ascertained by Demarais and Parisienne. As a result of this special audit it was ascertained that \$25,000 was paid that should not have been paid. The question that I am asking the hon. Minister is this: as the result of this special audit, what disciplinary action was indicated and what reports were made to the hon. Attorney-General; and if there was none made, why not?

Hon. Mr. Goodfellow: Well, the chief accountant says that we assisted The Department of Municipal Affairs in this audit of Clarence township. It was just routine as far as our people were concerned, working with the other auditors, because our people were most conversant with the matter of subsidies.

Mr. Singer: Well, with the greatest respect, Mr. Chairman, this is not my impression of the facts at all. There was this report, and I read certain portions of it into the record on December 11. Desmarais and Parisienne dealt very summarily, in a very short report, with anything touching the highways department. I stated, and I think the hon. Minister has confirmed it this afternoon, that I was advised

that the department went in and did its own special audit. As a result of The Department of Highways' own special audit, it came to the conclusion that some \$25,000 had been improperly paid.

What I am trying to find out is, having made this discovery, what disciplinary action did the department take itself or indicate to the hon. Attorney-General should be taken?

Hon. Mr. Goodfellow: It was not up to The Department of Highways to take any action, because the audit was instituted by The Department of Municipal Affairs. Ours was just a routine audit when our people went in.

Mr. Singer: Oh, Mr. Chairman, surely there is something more than this. Here it is indicated in a certain municipality that grants have been improperly paid by one of the departments of this government. This has been indicated to the department. The department takes steps to recover those monies by withholding other grants. The Department of Highways' own investigation that took place after the Municipal Affairs audit showed this. Then surely there should have been some follow-up. I am asking the hon. Minister: was there a follow-up? If there was no follow-up, why not?

Hon. Mr. Goodfellow: I would not know.

Mr. Singer: Mr. Chairman, I am very disappointed in the hon. Minister if he does not know. I think the hon. Minister owes a duty to this House to ascertain—

Hon. Mr. Goodfellow: It was no concern of The Department of Highways, because it was Municipal Affairs that instituted the inquiry.

Mr. Singer: Oh, Mr. Chairman, surely it is the concern of The Department of Highways when \$25,000 of Highways money has been improperly paid.

Hon. Mr. Goodfellow: But we cannot have two departments conducting an inquiry. I remember instituting the inquiry in Municipal Affairs, it was definitely Municipal Affairs.

Mr. Singer: Mr. Chairman, I have the greatest respect for the hon. Minister but I am sorry that he will not face this matter head on. When a department of government has certain funds to allocate, and this department allocates more than any other department, and when it is ascertained that some \$25,000 of those funds have been improperly

allocated, and when there is more than a suggestion that there has been wrongdoing, one would think that the department that has improperly allocated funds would initiate some sort of disciplinary action.

Hon. Mr. Goodfellow: Mr. Chairman, I can assure you that if an inquiry had been instituted or The Department of Highways had found funds, or overpayments had been made, we would have a full inquiry—I can assure the House of that—not only through the hon. Attorney-General's department but through the provincial auditor.

Mr. Singer: Mr. Chairman, let me review what I said—

Mr. C. H. Lyons (Sault Ste. Marie): The hon. member has repeated himself six times.

Mr. Singer: Let me review what I said, Mr. Chairman, for the seventh, eighth, ninth or, if necessary, the tenth time. I said that an inquiry was made by The Department of Municipal Affairs, they instructed a firm of auditors called Demarais and Parisienne. This firm conducted an audit and brought in a very brief report which indicated that there were certain things wrong in that municipality. Certain actions were taken and, as I say, the Municipal Affairs aspects of it properly do not come within these estimates and I will deal with those at a later time. But I said that I was advised, and I said this on December 11, and the record is in *Hansard*, that as a result of what Demarais and Parisienne ascertained The Department of Highways then caused a special audit to be made.

Demarais and Parisienne did not state in their report that there had been \$25,000 of Highways money improperly allocated; they hardly mentioned The Department of Highways at all.

But I say that my information is, and I gather this has been confirmed as being correct by the hon. Minister this afternoon, that after the Municipal Affairs report, after the Demarais and Parisienne report, The Department of Highways went in and did its own audit. As a result of its own audit, it found that some \$25,000 of Highways monies had been improperly given to this municipality.

I was further advised, and I understand the hon. Minister has confirmed this this afternoon, that the department, having discovered this, withheld future grants to recover its \$25,000. Probably the department is not now out of pocket in the monies it advanced because it took steps to recover

them. But what I am saying, sir, is this: this is a very serious matter, and if someone has worked out a method of getting money improperly from The Department of Highways one would expect The Department of Highways would indicate to the hon. Attorney-General that certain disciplinary types of action might be taken.

Mr. K. Bryden (Woodbine): Mr. Chairman, I would like under this vote to raise a specific matter relating to the sale by the department of a property near Kingston. This sale occurred in 1958, but it came to my attention only recently.

At first sight, it might appear not to be a matter of tremendous import as the total amount of money was relatively small, but it raises an important question of principle since it involves a clear cut conflict of interests on the part of an elected municipal representative which, as far as I have been able to determine after careful study, was not only condoned but actually facilitated by the government through the hon. Minister of Highways of the day. Repeated revelations of instances of conflict of interests—

Hon. W. M. Nickle (Minister without Portfolio): Who is the municipal official, if the hon. member pleases?

Mr. Bryden: I will come to that.

Repeated revelations of conflict of interests at the municipal level have been causing increasing concern in many quarters in recent years and so also has the government's lax attitude to them. Since the new administration took office last fall the public has been reassured to some extent by an apparent stiffening of the government's policy in this field as revealed by announcements of the new hon. Minister of Municipal Affairs (Mr. Cass), formerly the Minister of Highways.

Unfortunately, the episode that I am about to describe gives rise to serious doubts as to the genuineness of the government's new policy.

Admittedly, sir, it is only one episode, yet it came to my attention by pure coincidence. One can only speculate as to how many similar episodes there may be which have not come to the attention of anyone outside the government.

I do not want to put myself in the position of making vague allegations without adequate evidence to back them up and for that reason, Mr. Chairman, I plan, with your permission, to present all the relevant facts of this case as far as I have been able to discover them.

I will begin by stating that I plan to place on the table of this House certified copies of the following three instruments which are registered in the Kingston Registry Office:

1. Instrument No. 104119, being a deed dated June 2, 1958, conveying a portion of Lot 14, east side of the Great Cataraqui river in Pittsburg Township on the outskirts of Kingston in Frontenac County, from The Ontario Department of Highways to the corporation of the Township of Pittsburg. This land, which is popularly known as the Poston property, has an area of 17.032 acres.

2. Instrument No. 106003, being a deed dated September 25, 1958, conveying the same land, minus a little less than three acres, from the corporation of the Township of Pittsburg to Minnie Pearson. This land consists of two parcels with a total area of 14.47 acres.

3. Instrument No. 106004, being a deed which is also dated September 25, 1958, conveying exactly the same land as was conveyed to Minnie Pearson by Instrument No. 106003 from Minnie Pearson to Eric R. Pearson.

Handwritten notations on the deeds indicate that the prices paid by Pittsburg township to The Department of Highways, by Minnie Pearson to Pittsburg Township and by Eric R. Pearson to Minnie Pearson were in all cases \$14,000.

The land which was conveyed by The Department of Highways to Pittsburg Township is a rectangular block bounded on the east by Highway No. 15 and on the west by the Great Cataraqui river. The slightly less than three acres which the township retained when it resold the land to Minnie Pearson consists of a strip 100 feet wide running diagonally across the main property from Highway No. 15 to the river.

It will be noted that title to all of the land in question, except the diagonal strip, was acquired by Eric R. Pearson less than four months after The Department of Highways sold it to the township.

Eric R. Pearson is at present the reeve of Pittsburg Township and was deputy reeve in 1958 when the above transactions took place. Minnie Pearson, to whom the township sold the land and from whom Eric R. Pearson acquired it on the same day and for the same price, is his mother.

According to the stamp on the back of instrument Nos. 106003 and 106004, the sales from the township to Mrs. Pearson and from Mrs. Pearson to her son were both handled by

the Kingston law firm of Rankin and Wright. I understand that this was the firm of the late D. J. Rankin, who, at the time, was the Progressive-Conservative MPP for Frontenac-Addington. I mention this fact because Mr. Rankin also appeared in this affair at an earlier stage, in a manner which I will describe later.

On January 29, 1962, I wrote to the Kingston registry office asking for certified copies of the above three instruments. Not having received a reply to my letter by February 16, 1962, I telephoned the registrar on that date and she undertook to forward the certified copies to me immediately. I received them in the regular course of mail on February 20, 1962.

On the next day, February 21, I sent letters asking for further information to the clerk of Pittsburg Township, C. J. MacLean, to the hon. Minister of Municipal Affairs (Mr. Cass) and to the hon. Minister of Highways (Mr. Goodfellow).

My February 21 letter to the township clerk asked if there were any by-laws or minutes of the township council relating to the purchase of the land from The Department of Highways and the subsequent sale of most of it to Minnie Pearson, and if so, if it would be possible for him to send me copies. The letter also asked if the strip which was not sold to Minnie Pearson is still owned by the township, and if so, the purpose for which it is now being used.

I had not received a reply to my letter by March 15, so on that day I sent a registered letter to the clerk, forwarding a copy of my original letter and asking for a reply at his earliest convenience. I have still not received any reply, although admittedly my second letter went out only a few days ago.

My February 21 letter to the hon. Minister of Municipal Affairs asked if any officer of his department had conducted an investigation into the affairs of Pittsburg township in 1959 or 1960, and in particular, if the department had ever investigated the conveyance of a portion of Lot 14 east of the Great Cataraqui river by the township to Minnie Pearson. I also asked if it would be possible for me to inspect the file relating to any investigation that may have been carried out.

The hon. Minister's reply, which was dated March 13, 1962, ignored my request to see the file but provided the following information, and I am now quoting from his letter:

One of my supervisors, Mr. Hill, visited the Township of Pittsburg during a routine

visit to eastern Ontario. The purpose of his visit to the Township of Pittsburg was to acquaint the clerk and reeve of a complaint we had received from a ratepayer regarding the sale of this property.

Mr. Hill said that he advised the clerk that the question of the sale of the Poston property had been brought to the attention of the department and from the information received it would appear that, in view of the position of the reeve in this matter, the sale was voidable as against the municipality under the provisions of what was then section 57 of The Municipal Act. The clerk arranged a meeting with Mr. E. R. Pearson, the reeve, who explained that he had acted on legal advice respecting the transaction and that since the property had been acquired through his mother's name and quite openly, he was satisfied that the transaction was quite legal. He agreed, however, to contact his solicitor again and get further advice on the matter.

The statement of revenue and expenditure in the auditor's report for the Township of Pittsburg for the year ending December 31, 1958, shows on the revenue side, "sale of Poston property \$14,000" and on the expenditure side "purchase of Poston property \$14,000." This is the only entry in the audit report in respect of this property.

My February 21 letter to the hon. Minister of Highways asked simply if I could inspect the department's file relating to the site of the property by the department to the township.

Under date of March 6, 1962, the hon. Minister sent me photographic copies of correspondence on the department's file relating to this sale, together with a covering letter summarizing this correspondence. He explained in his covering letter that:

There are several different files in the department relating to this matter and a great deal of this correspondence relates to the routine matters of payment of rent, taxes and the necessary paper work in relation thereto. The enclosed correspondence, however, does cover all the phases of the transactions in so far as The Department of Highways is concerned up to the time when we finally disposed of the property to the Township of Pittsburg.

A review of this correspondence brings to light the following main facts:

The Department of Highways acquired the property in 1943 for \$5,000. At the time the land and buildings were under lease to a

concern known as Smart's Fisheries Limited for \$25 a month. The department continued to rent to this concern, although it ultimately raised the rental to \$75 a month.

The property was apparently acquired for a Kingston by-pass. In time the department changed its plans and the property became surplus, although a small portion of it continued to be used for incidental purposes of the department.

As the word got around that the property was surplus, several persons, including Smart's Fisheries, wrote to the department expressing an interest in buying it. The first such letter appearing in the material provided to me was dated January 2, 1947, and similar letters appeared periodically for several years thereafter. The usual reply of the department was to the effect that, if and when a decision should be made to dispose of the property, it would be advertised for sale and all interested parties would have an opportunity to submit bids.

Smart's Fisheries Limited is apparently not an incorporated company, and I am not certain about the nature of E. R. Pearson's connection with it. I understand, however, that at the present time he and William Smart are equal partners in the business, though I do not know how long that arrangement has existed.

A letter of May 6, 1953 to the department listed E. R. Pearson on the letterhead as assistant manager and was signed by Mr. Pearson on behalf of the firm. The letter stated that the firm had established a large wholesale fish business on the location and was anxious to expand its facilities. It therefore reiterated a request made on previous occasions to buy the property.

The department had been giving some consideration to putting the property up for sale for at least three years prior to the receipt of this letter, and now, apparently, it decided to proceed. As a first step, it arranged for an appraisal by a realtor in Kingston. The appraisal report, dated September 19, 1953 placed a valuation of \$13,500 on both land and buildings.

On January 19, 1954, E. R. Pearson on behalf of Smart's Fisheries made a written offer of \$10,000. A memorandum of January 22, 1954, written by the department's acting chief property evaluator, suggested that, since this firm had occupied the property for a long time, their offer was "deserving of every consideration." A year later, the services manager stated in a memorandum to the

superintendent of properties dated February 3, 1955:

In making your recommendation to the property committee, I think you should point out to the committee that this property has been under lease to a Mr. Smart, of Smart and Pearson, for a great number of years and that they have made many improvements. This information might influence the opinion of the committee whether this property should be publicly advertised.

Judging by other memoranda on the file, however, the department appeared to consider it necessary to advertise the property. One such memo suggested that Mr. Pearson's offer of January 19, 1954 could be considered along with other offers. On February 19, 1955 Mr. Pearson, again on behalf of the firm, increased his offer to \$11,000.

The first steps to offer the property for sale were taken early in 1954. For reasons which are not entirely clear, progress was slow, but by the beginning of 1955 arrangements had been made for another Kingston real estate firm to make a new appraisal. This appraisal, which was dated March 2, 1955, valued the land and buildings at \$11,500, as compared with \$13,500 in the earlier appraisal.

At this juncture a new factor was introduced. In a letter dated February 24, 1955, the mayor of Kingston stated that his city was considering plans to build a bridge which would end on the Poston property and requested that no steps be taken to sell the property until these plans had advanced beyond the preliminary stages. The department complied with this request.

By now, however, it was quite anxious to sell because, as one memorandum put it, "this property will require an extensive maintenance outlay in the very near future." Some pressure was therefore put on Kingston, but at the same time that city's interest was recognized.

In a letter of June 3, 1955, the city was advised of the two valuations which had been placed on the property and was invited to make an offer. Further correspondence was exchanged and finally, on December 14, 1955, Kingston offered \$11,500, being the lower of the two valuations.

The department accepted this offer and was ready to complete the transaction, when Kingston discovered that it would have to back out. A letter of March 19, 1956 from the clerk-controller stated that the city had received legal advice to the effect that it

could not spend money for a public highway wider than 100 feet in an adjoining municipality.

The clerk-controller inquired as to the feasibility of the department placing a "covenant in the deed to the effect that if any portion of this land which is not built upon should eventually be required for public purposes, the purchaser agrees to convey it to the Crown at cost price, plus expenses incurred to the date of sale."

At this point, a Mr. J. B. Sampson, who has operated a real estate business in Kingston for many years and who had indicated an interest in bidding on the Poston property as far back as 1947—and frequently thereafter—immediately renewed his request. In a letter of March 19, 1956, he stated that, if the department would sell him the property, he would undertake to provide the city of Kingston, free of charge, with any land it might subsequently require for a bridge. It is impossible to say how much Mr. Sampson would have offered for the land on these terms, because his offer was not pursued.

The department dismissed as impractical the restrictive covenants proposed by Kingston and proceeded to advertise the property for sale by public tender. Advertisements appeared in the *Kingston Whig-Standard* in May and tenders closed on June 7, 1956.

The department's summary of "Tenders Received for Property Sale No. 107" shows that nine bids were made and the four highest were:

Samuel Springer and John Burke Sampson, Kingston, \$18,700.

Rosen Fuels Limited, Kingston, \$18,200.

Frank A. Branscombe, Niagara Falls, \$17,500.

E. R. Pearson, c/o Smart's Fisheries, Kingston, \$16,700.

A notation at the bottom of the summary reads "Awarded to Samuel Springer and John Burke Sampson, Kingston, Ontario."

The same J. B. Sampson wrote to the department on June 18, 1956, asking advice as to the successful tenderer and stating, "We are anxious that a right-of-way should be provided for a connecting road through this property, across to the city of Kingston."

Unaccountably, the sale was not proceeded with. On July 3, 1956, the department's tenders secretary sent a laconic memorandum of "All Bidders" stating that, "The property committee, Department of Highways, has ruled that no award is yet to be made," and returning the deposit cheques. On October

26, 1956, F. A. Branscombe, who was the third highest bidder, wrote to the department asking if tenders would be called again. There is no indication, however, in any of the material provided to me that the department took any action for about a year and a half, notwithstanding its apparent anxiety at an earlier date to dispose of the property.

Apparently, some approaches were made by the township of Pittsburg in the early part of 1958, because on March 19, of that year, the late D. J. Rankin, then MPP for Frontenac-Addington, wrote to the then hon. Minister of Highways, now Provincial Treasurer (Mr. Allan), as follows:

I am very anxious to get a decision on whether the department will sell the Poston property to the township of Pittsburg. You have their application on file.

I might mention, Mr. Chairman, that the application referred to was not included in the material sent to me, so I am not in a position to comment on it. Continuing from Mr. Rankin's letter:

The township are satisfied that this property will eventually be required for an extra high level bridge across the Cataraqui, and feel that if they acquire it at this time they will save a great deal of money if the land is allowed to develop in the meantime. They figure that the township should, in any event, at this time, have access to the Cataraqui river for its people and that, pending a further growth of the Kingston area, the people can use this property as access to the river.

A memorandum of April 14, 1958, from the superintendent of properties to the hon. Minister contained the following paragraphs:

The property is quite valuable and I feel that a sale would realize at least \$20,000.

As you know, sales are by public tender or auction. However, in the case of municipal bodies wanting DHO land, our property committee will authorize a direct sale based on a fair market value. Such sale price is arrived at by having independent appraisals made and then offering the property to the municipality at a figure based on the appraised value.

If the township of Pittsburg is seriously considering purchase I will arrange for appraisals to be made and then advise township of price. In the event it is acceptable to township I will then recommend to our property committee that a direct sale be made to the township of Pittsburg.

On April 28, 1958, a new Minister of Highways was appointed in the person of the present hon. Minister of Municipal Affairs (Mr. Cass). On May 9, 1958, he wrote to the superintendent of properties as follows:

The clerk of Pittsburg township, together with Mr. D. J. Rankin, MLA for Frontenac, called on me the other day, and after a good deal of discussion, left a brief which I attach to this memorandum, and an offer of \$14,000 for the property.

Perhaps you would consider this and I would be glad to have your advice and discuss it with you and Mr. Fulton before any decision is made.

After that it did not take long to complete the deal. The superintendent of properties replied to the hon. Minister four days later, on May 13, 1958, stating that:

A recommendation will go forward to the property committee on Friday, May 16, recommending to them that they accept the offer of \$14,000 submitted by the Township of Pittsburg for these lands and buildings.

As I have already indicated, the deal was closed shortly afterwards.

The Pittsburg brief referred to in the hon. Minister's memorandum of May 9, 1958, is lengthy and I will summarize it by stating that it made the following three main points:

(1) It was important from a planning point of view to provide a right-of-way for a future bridge connection with Kingston.

(2) Under the official plan which the township was then drafting, this land would be zoned as commercial and it was important from the township's point of view to increase commercial assessment.

(3) And on this point I am quoting the exact words of the township brief, Mr. Chairman.

The township has an opportunity to dispose of this property after keeping the proposed 100 foot right-of-way, without profit—after splitting the lot—to the people who have used it as a fishery wholesale depot and who agree, if they can obtain title, to immediately erect a spacious modern wholesale depot and fish processing plant in keeping with federal and provincial standards.

These, then, are the facts, as far as I have been able to determine them from the material provided to me by the present hon. Minister of Highways (Mr. Goodfellow). Since certain points seemed to require

further explanation, I wrote a second letter to the hon. Minister on March 9, 1962, in which, among other things, I asked the following two questions:

(1) Why was the sale by tender, held in June, 1956, not proceeded with?

(2) Were the appraisals suggested by H. Barry, superintendent of properties, in a memorandum dated April 14, 1958, undertaken and if so, what valuations did they place on the property?

The hon. Minister replied to this letter on March 12, 1962, and, for reasons which I will attempt to explain, his explanations were far from satisfactory. I will deal first with his answer to the second question as follows:

The appraisals referred to by Mr. Barry in his memorandum of April 14, 1958, were not obtained since we already had two independent appraisals. The first of these was for \$13,500 and the second was for \$11,500. These appraisals had been obtained when the department was considering the transfer of the property to the City of Kingston and it was felt that circumstances had not varied sufficiently to warrant the expenditure for additional appraisals.

It is true that two appraisals had been obtained, but subsequent to these appraisals the land had been put up for sale by tender and four firm bids had been received from responsible parties in amounts ranging from \$16,700 to \$18,700. That was in 1956. By 1958 Mr. Barry had come to the conclusion, according to his memorandum, that the property was "quite valuable" and that "a sale would realize at least \$20,000."

How then could it reasonably be concluded that the earlier appraisals were still valid?

The hon. Minister's answer to my first question was equally unsatisfactory. He said:

There is nothing in the files of The Department of Highways which would indicate the specific reason why the sale held in June, 1956, was not proceeded with. . . . However, the surrounding circumstances immediately before the sale and those subsequent to the sale would, to my mind, indicate that the property was desired for municipal purposes by either the City of Kingston or the Township of Pittsburg, even though the City of Kingston had been having difficulty in establishing its authority to make the purchase.

I am aware that there is need for an alternative access to Kingston from the east and that a high level bridge over the Cataraqui river connecting with Highway No. 15 is the preferred method of achieving that access.

By 1956, however, The Department of Highways had clearly decided that, though it was sympathetic to Kingston's problems, it could no longer hold up the sale of the Poston property on account of them. Its action in offering the property for sale by tender was the outward manifestation of this decision. In any case, the highest bidder, Mr. J. B. Sampson, had clearly indicated both before and after submitting his tender that he was fully aware of Kingston's plans and quite ready to co-operate in realizing them.

Indeed, Pittsburg does not appear to have come into the picture at all until about a year and a half later. No doubt the known fact that Kingston wanted a right-of-way for its proposed high-level bridge provided the township with an excuse for asking for the land, but it was hardly a reason for selling to them.

Certainly Pittsburg itself could not have had any plans for building the bridge at any time in the foreseeable future, for its total assessment in 1958 was less than \$3.25 million. If it was casting itself in the role of a sort of trustee for Kingston, its efforts were unnecessary since the high bidder had expressed willingness to do that. If it had some sort of arrangement with Kingston, I would like to see evidence of it.

I would also like, Mr. Chairman, to see evidence, which I have not been able to obtain as yet due to the failure of the township clerk to answer my inquiries, that the township council of Pittsburg actually approved the purchase of land from The Department of Highways and the negotiations leading up to that purchase, and that it approved the later sale of the land to Minnie Pearson.

This, however, brings one into the realm of speculation, so I will now turn my attention to another hard fact of the case. The brief which the township presented to the then hon. Minister of Highways, now the Minister of Municipal Affairs (Mr. Cass), in May, 1958, clearly indicated the township's future plans for the land. It was to be disposed of, minus the 100 foot right-of-way, to "the people who have used it as a fishery wholesale depot." The hon. Minister was clearly in a position to know that the people referred to were Smart's Fisheries, Ltd. After

all, his department had been the landlord of this firm for 15 years.

He was also in a position to know that one of the principals in the firm was E. R. Pearson, the deputy reeve of the township. Since the beginning of 1954, Mr. Pearson had been the person who had written to the department on behalf of the firm in attempting to advance the firm's efforts to buy the property from the department. It is interesting to note that the bid submitted in response to the call for tenders in 1956 was made not by the firm, but by Mr. Pearson personally and that he merely used the firm as an address.

One would have thought that all these facts would have given pause to the hon. Minister. It is not for me to say that the township's re-sale of the land was voidable as against the municipality, but there can be no question that it was improper. The use of Mr. Pearson's mother as an intermediary was nothing but a subterfuge. The substantial facts were that all the land other than the 100-foot strip was sold by the township to its deputy reeve and that this was clearly the intention from the time the township clerk and the local MPP first spoke to the then hon. Minister of Highways, now the Minister of Municipal Affairs. Not only did the hon. Minister not try to dissuade the township representatives from this questionable course of action, but he positively facilitated it.

I can understand the anxiety of Smart's Fisheries and Mr. Pearson to acquire the Poston property. They had a business operating on that property, and it was natural for them to want to hold their location and develop it.

The department, however, had considered this factor and had decided that if the land was to be sold to a private party it had to be offered for sale by tender. I think the department was right in that decision. When public land is disposed of, there should be no favourites, every citizen has a right to put in a bid if he so desires.

The intervention made in the name of Pittsburg township—and I am not certain that it was made by the township—enabled the deputy reeve, now reeve, to accomplish what he had failed to accomplish when the land was offered for sale by tender. In other words, he got the land. Moreover, he got it for \$2,700 less than he himself had bid two years earlier, and for \$4,700 less than the top bid at that time. Surely there had been some advance in the value of the land in the two-year interval?

True, Mr. Pearson did not obtain title to

the strip reserved by the township but this hardly reduced the value from his point of view. His house is on one side of the strip and the fish warehouse is on the other side. The construction of the high-level bridge is merely a future possibility, and in the meantime there is nothing to prevent Mr. Pearson from using the strip to cross from his house to the warehouse, which is all he needs it for. And if the bridge should ultimately be constructed, the probability is that the value of Mr. Pearson's holdings will be enhanced. His property will then lie on the two corners formed at the point where the new connection with Kingston joins Highway No. 15.

When the deal was brought to the attention of The Department of Municipal Affairs in 1959, that department expressed considerable concern; but, in keeping with the laissez-faire attitude to such matters which characterized government policy in those days, it did nothing more. The new hon. Minister of Municipal Affairs (Mr. Cass), formerly the Minister of Highways, has indicated in recent months that he intends to take a stricter attitude to conflicts of interest at the municipal level than was the case in the past. His announcements along this line were welcomed by most people, but unfortunately the role he played in the Poston property affair gives rise to serious doubt as to his capacity to carry out his announced policy effectively and forcefully.

I will now place on the table of this House all of the documents to which I have referred in the foregoing recital. These consist of:

1. Certified copies of instruments Nos. 104119, 106003 and 106004 from the Kingston registry office, which I will identify as exhibits 1, 2 and 3;

2. File copies of letters of February 21 and March 15, 1952, from myself to the clerk of the township of Pittsburg—exhibits 4 and 5;

3. File copy of a letter of February 21, 1962, from myself to the hon. Minister of Municipal Affairs, and his reply dated March 13, 1962—exhibits 6 and 7;

4. File copy of letter of February 21, 1962, from myself to the hon. Minister of Highways, and his reply dated March 6, 1962—exhibits 8 and 9;

5. Copies of correspondence and other documents provided for me by the hon. Minister of Highways under cover of his letter of March 6, 1962—exhibit 10; and

6. File copy of letter of March 9, 1962, from myself to the hon. Minister of Highways

and his reply dated March 12, 1962—exhibits 11 and 12.

Mr. Chairman, I think it will be agreed that I have done everything I possibly could to find out exactly what happened in relation to this matter which, in itself, is merely one episode, but which in its basic principle and the insight it provides as to government administration is, in my opinion, most important. I have done everything I could to get the facts. I have not been entirely successful because of certain inquiries I made not having been answered. But on the basis of the facts that I have been able to discover and which I have presented to this House, I submit to you, Mr. Chairman, that there was a clear-cut conflict of interest which the government of the day, through the hon. Minister of Highways of the day, now the Minister of Municipal Affairs (Mr. Cass), clearly facilitated. I will now place the documents referred to on the table, Mr. Chairman.

Mr. J. R. Simonett (Frontenac-Addington): Mr. Chairman, the hon. member for Woodbine (Mr. Bryden) seems to go to a lot of trouble to find trouble in the province of Ontario, and this time he happened to hit part of the riding which I represent. This happened before I was elected representative of Frontenac-Addington. I feel no responsibility myself but, having lived there all my life, this is the first time I have heard there was anything wrong with this transaction. I might say, for the benefit of the House, and the hon. member who is trying to cause trouble, that I happen to be the president of Rideau Marina (Kingston) Limited who own property adjacent to the property of which he is talking.

I also would like to say that we bought our property privately in 1958, and when he is talking values he had better go down and look up that deed; because we bought it for much less than The Department of Highways sold this to the principals he is talking about. Furthermore, he says that Mr. Pearson bought this property for the same price, or near the same price, as the township paid for it. Now, that, in itself, is not the truth. The township bought this property for the simple reason that they did want a 100-foot right-of-way for road allowance if at some time a bridge should be built from Kingston—

Mr. Bryden: I covered all that.

Mr. Simonett: All right, he said all this; but he did not say that this roadway is running diagonally across the property and it would have no value—no resale value—once they fenced their property. It would be broken

in two lots. The property along there goes to the river and to the highway and the price there is paid mostly for river property. I do want to clear this up—that we looked it over; we were not in a position to pay near as much as Mr. Pearson. Living in that area all my life I never heard anybody complain about it; in fact, I have a letter from a Mr. Sampson, to whom he referred today, stating that he had phoned him within the last ten days to try to get some information from him. And Mr. Sampson, who, as hon. members heard, was the high bidder there in 1956, wrote and told me that he had no hopes of ever buying the property nor did he want it; and he could not understand why the hon. member for Woodbine should be questioning him or anyone else on the sale.

Mr. Bryden: Mr. Chairman, I think it should be stated it is quite true, as the hon. member said, that I phoned Mr. Sampson some time ago, a week or two ago, and asked him if he would be prepared to talk to me about this matter. He said he thought it was a hot potato and he wanted to keep out of it. But I think it should be stated again and emphasized, that Mr. Sampson made a firm bid of \$18,700 with a 10 per cent deposit; and if the department had seen fit to go through with the deal as I believe it was morally obligated to do, then Mr. Sampson had a firm deal and was committed to buy the property.

Hon. W. M. Nickle (Minister without Portfolio): Mr. Chairman, I would like to say a word on this score. My hon. friend started out by making the comment that he had some inquiries that he wished to make in reference to the sale of a certain piece of land in the great and historic riding of Kingston, which is not true. It has nothing to do with my riding directly or indirectly. But I can remember, Mr. Chairman, a great many years ago as a young man—more years ago, sir, than I, perhaps, care to remember—being associated with Anthony M. Rankin. He was the Conservative member for the riding of Frontenac in this Legislature at a time when Mr. Ferguson was Prime Minister, at a time when my father was the Attorney-General.

The name Rankin down in the county of Frontenac, and in the city of Kingston, stands for everything that is good and decent and sincere. Dave Rankin's lips at this hour are sealed in death, and of David Rankin I can say, having practised my profession—that of the law—with him for many years, his lips sealed now in death cannot today defend the slander that has been levelled against him.

As far as I am concerned, and I go a step further about his partner, Mr. Harry—

Mr. Bryden: Mr. Chairman, on a point of privilege—

Hon. Mr. Nickle: Will the hon. member be quiet for a minute; I want to settle with him for a while.

Mr. Bryden: I stated what was on the record.

Mr. Chairman: Order.

Interjections by hon. members.

Hon. Mr. Nickle: I do not believe the hon. member. I think he is lying.

Mr. Bryden: Look at the record.

Hon. Mr. Nickle: I will look at the record. When I get through with the hon. member he will know about the record.

Mr. Chairman: Order.

Mr. Bryden: Mr. Chairman, the hon. Minister should withdraw—

Hon. Mr. Nickle: Sit down!

Mr. MacDonald: Mr. Chairman, has the hon. Minister withdrawn that statement?

Interjections by hon. members.

Mr. MacDonald: On a point of order, Mr. Chairman. Are you asking the hon. Minister to withdraw the charge of a liar?

Interjections by hon. members.

An hon. member: It is not his point of privilege.

Mr. MacDonald: Are you asking the hon. Minister, Mr. Chairman?

Hon. Mr. Nickle: The hon. member slanders the dead and then he works in behind the corpse.

Mr. Chairman: Order, order!

Mr. Bryden: Is the hon. Minister withdrawing or not?

Hon. Mr. Nickle: I am withdrawing nothing.

Mr. Bryden: Mr. Chairman, I ask for a ruling. The hon. Minister said that what I said was a lie, or consisted of lies, and I submit that he should withdraw it. If anybody

wants to check whether I was lying or not they can look at the records.

Hon. Mr. Nickle: I am going to check it; the hon. member need not worry!

Mr. Bryden: I submit that he should withdraw that statement.

Hon. Mr. Nickle: The hon. member is going to be checked as he has never been checked before.

Mr. Bryden: That is fine, go ahead and do it; but withdraw.

Hon. Mr. Nickle: All right; it's withdrawn. Now let me go on and finish. Harry Wright was David Rankin's partner and he died a few weeks ago of cancer and I am telling the hon. member, he has to be responsible this afternoon for what he has said—

Mr. Bryden: I am responsible for it.

Hon. Mr. Nickle: When he goes down to the county of Frontenac and his hon. leader and he get in the city of Kingston in the county of Leeds and Prince Edward county, this New Democratic Party that they are associated with—

Mr. MacDonald: Mr. Chairman, I rise on a question of order—

Hon. Mr. Nickle: Will the hon. member be quiet!

Mr. MacDonald: I rise on a question of order, Mr. Chairman.

Hon. Mr. Nickle: They are going down to defeat—

Mr. MacDonald: I rise on a question of order, Mr. Chairman.

Mr. Chairman: Order, order!

Mr. MacDonald: The hon. Minister has risen and described what the hon. member for Woodbine (Mr. Bryden) has said as "slander." He is now going off on a political tirade with regard to the New Democratic Party—

Hon. Mr. Nickle: So it is!

Mr. MacDonald: Mr. Chairman, I submit that the facts were presented and if there is going to be any argument let it be on the facts instead of personal vilification and the kind of charge the hon. Minister is making.

Hon. Mr. Nickle: Mr. Chairman, when I go down to Kingston this weekend I am

going up to the law office of Rankin and Wright and I am going to have the accountant of that firm make a check. I will gamble my political reputation that Dave Rankin did not charge a dime and what he did was prompted by sincerity of purpose and honesty.

Mr. Bryden: I did not say he did.

Hon. Mr. Nickle: Yes he did, he did everything but condemn the man, he slandered the dead and should hang his head in shame.

Mr. Bryden: I quoted from documents on the file of The Department of Highways and nothing more.

Hon. Mr. Nickle: The hon. member has ruined his party down my way, and I will look after it until the time comes.

Mr. Bryden: Why can we not deal with the issue?

Hon. Mr. Nickle: Never mind!

Interjections by hon. members.

Hon. Mr. Goodfellow: Mr. Chairman, as has been indicated by the hon. member for Woodbine (Mr. Bryden) this matter was first brought to my attention on February 21. I immediately requested a study be made of the complete file—I might say it is quite a comprehensive file because from the time of the original purchase by The Department of Highways the city of Kingston was also interested and wanted to get this property for a right-of-way for a future bridge and causeway.

Then it was found that it was outside the jurisdiction of the city of Kingston to acquire this property. The township of Pittsburg made application to acquire this property—this is subsequent to when it was offered by public auction—but in the intervening period both the city of Kingston and the township of Pittsburg expressed interest in acquiring this property as a right-of-way for a future causeway and bridge.

I am just speaking off-the-cuff because I am clear in my own mind that there is absolutely nothing improper as far as the transaction of The Department of Highways is concerned, and the file went back to Downsview. About one hour ago I asked to have the file brought down and it is not here yet, but it will be, so I am just speaking off-the-cuff and bearing in mind the assurance, after going over it with Mr. Fulton and Mr. Dick, who is our chief legal adviser, that the

department was absolutely within its rights to sell this property to the township of Pittsburg at a price above the two appraised values placed on it. The Department of Highways instituted two appraisals on this property when the township of Pittsburg was interested in purchasing it.

Mr. Bryden: What about the bids that were made afterwards?

Hon. Mr. Goodfellow: That was before that—

Mr. Bryden: No, they were after.

Hon. Mr. Goodfellow: Well, anyway I will get the file and table in the House the full explanation of this whole affair; but, up to the day the deed was granted and payment was made by the township of Pittsburg to The Department of Highways I am satisfied as the responsible Minister that nothing untoward took place. It was a legitimate deal. There is not a week goes by that some municipality does not express interest in a certain surplus property which The Department of Highways owns. Instead of selling it at public auction, when it would appear to be in the interests of the municipality to secure it for road purposes, commercial or industrial purposes, we offer it to the municipality at the appraised value by qualified appraisers.

In my opinion this is a perfectly legitimate deal, what happened between the mother—and the deputy-reeve. I do not know whether she is the mother or the wife or what she is of the person the hon. member for Woodbine refers to; I would not know anything about the relationship—what happened there I know nothing about and I care less. I am interested in the transaction up to the time the deed was given to the township of Pittsburg for this property, and the fact that the township of Pittsburg paid The Department of Highways the appraised value for the property.

Mr. Bryden: Mr. Chairman, I would like to point out that is exactly the same explanation as the hon. Minister gave to me by letter and, as I stated in my presentation, I considered it entirely unsatisfactory. I may say that if I had got from him what appeared to me to be a satisfactory explanation, I would never have raised the matter in the House at all. I wrote to him to try to find out if there was any reasonable explanation of what happened. The explanation he gave to me—and I am not blaming him, he was not in The Department of Highways at the time—the explanation he gave to me in my opinion was

not a reasonable or convincing explanation for the reasons I have given.

I have put facts on the record and I have also put on the record my reason for not accepting his explanation. I am willing to let the matter stand or fall on those facts.

I may say that I have also placed on the table all of the departmental records which the hon. Minister let me see, so there is a substantial portion of the departmental records, or copies thereof, on the table already.

Mr. E. W. Sopha (Sudbury): Mr. Chairman, I am authorized to say that the Pearsons mentioned by the hon. member for Woodbine (Mr. Bryden) have no connection and are not related to any Pearsons that we know. I leave it at that.

Mr. Chairman, one of the things I submit that we are entitled to know from the new hon. Minister of this department in presenting his estimates is whether, when he asks for the vast sum of money that he is asking for this year—which totals \$254 million—whether in fact that is the amount of money that he wants, or is it as in the previous year, as I shall show, just somewhat in the form of a wild guess of the amount of money that he feels is required?

I might say, by way interpolation, here that last year when the sales tax dawned upon us, that at the same time the hon. Provincial Treasurer (Mr. Allan) was in full hue and cry and full throat about the magnificent fact, or it seemed to be magnificent, the way it was propagandized, that the budget of the province of Ontario was going to exceed \$1 billion for the first time in human history. Now as it turned out, if that was a record sought to be achieved, they did not make the record and they did not spend the \$1 billion.

I would not necessarily criticize them for that, but one of the reasons they did not spend \$1 billion in the Treasury department last year was that The Department of Highways apparently spent some \$20 million less than they asked this House to vote and which this House was pleased to vote to them. I think the figures, as I glean them and as I understand them from the hon. Provincial Treasurer's budget speech made on March 1, is that whereas they had asked for \$267.9 million last year, actually they spent \$247.2 million; a difference, a tidy difference, of \$20.7 million.

A number of things flow from that, but let me say by way of preface that I do not condemn any measures of economy. First,

I wonder when they fall short by \$20 million, and I hope they are not falling into the same habit of thought as a certain government of recent history that used to think in big terms, but when they fall short, sir, of an estimate of \$20 million, it might be said it is a rather sizeable chunk of money by which they have miscalculated. I wonder myself—the falling short or the acquisitiveness, if I may put it that way, of The Department of Highways in asking for \$267.9 million—what effect that has in Treasury board circles.

We never know what goes on in the Treasury board. It would be a day of three moons in the sky that one of us was ever invited to listen in to the utterances that are emitted in that sanctum sanctorum, but when they do meet together and Highways ask for \$267.9 million and they have miscalculated by \$20 million, then I just wonder, as a citizen of this province and as an elected representative, what effect that has in its reverberations upon the requests of the other departments and other fields of government endeavour, where perhaps penury is being practised, or policies are being delayed, because the Treasury board says there is no money available. I hope I have made myself clear on that score. In other words, I feel, sir, that we are entitled to criticize The Department of Highways in their estimates and in their calculations and in their arithmetic and geometry—and whatever other arts and sciences they use in coming to a decision on the amount of money that they are going to ask for from the public Treasury of this province.

Then they make a mistake of \$20 million, and other departments—they would never tell us, but I would imagine that when they see that inviting figure of \$20 million, any reasonable hon. Minister who had some pet project or some pressing need or was influenced by some pressure group, might look back ruefully and say—he would not say anything stronger than darn: "If that darn Department of Highways had not asked for that \$20 million they did not use, perhaps the Treasury board would have given it to me to put this programme into action."

Well, to sum it up, I submit that, at the very least, it is bad accounting.

Mr. R. M. Whicher (Bruce): Bad business.

Mr. Sopha: Bad business, my hon. friend from Bruce, who is a very good businessman himself, says, and he says it very aptly.

The second thing is that the \$20 million

engenders in me a personal feeling because I know, I know as well as I stand here, that the \$20 million if used could have built the road to Timmins. They had it last year. And I say to my hon. friend from Kingston (Mr. Nickle), who is a man of great sentiment and feeling and understanding—he will appreciate what I say when I try to repeat for him through you, sir, the depressed, resigned, defeated feeling that is in my breast as I stand here, and I look at this capital works project and I see not a cent, sir, for the road to Timmins in the forthcoming year.

Interjection by an hon. member.

Mr. Sopha: Yes, and they had the \$20 million last year and it was about a year ago that an enterprising group in Sudbury, under the aegis of the chamber of commerce, decided to go by snowmobile from Sudbury to Timmins to show the feasibility of that route in the winter time, and there is a road, there is a bush road built by the Portelance Lumber Company, which throws itself some 20 or 30 miles north of Capreol. They got a goodly portion of the distance done to Timmins on that road before they took to the Hydro and the transmission lines and completed the journey up to the home town of the hon. Minister of Lands and Forests (Mr. Spooner).

There was nothing wrong with that outing. Nothing wrong. Some were elderly men who should not perhaps exert themselves in such physical endeavour, but one would assume that in preparation for the trip they took along sufficient medication and medicaments and food and warm clothing and everything.

They were all but on the point of departure—I think it was in the month of February about a year ago—and just on the eve, I remember it well, the hon. member for Victoria (Mr. Frost) who then occupied a more esteemed office, announced in his office—you see, sitting in his office at Queen's Park he just could not quite picture the fun and pleasure and joy of such a trip, sitting looking at the four walls around him, and having heard about this, it having been brought to his attention that such a safari—if one may adopt the language of Africa and transplant it to northern Ontario—such a safari was about to embark for Timmins, then I never saw that side of his nature before and I have not seen it since.

Just as they are about to depart he announces to the gentlemen of the press gallery whom I assume, he called down to

the office, and he said, "Get it in the papers quick. They do not have to make that arduous trip through the northern wilderness without the aid of even aurora borealis, tell them we will build the road."

Hon. members can imagine the happiness that caused in Sudbury that night, as they put their sleeping bags away, they put their mukluks back into storage. All that medication that they had assembled, one assumes that they took it back to the stores, pharmaceutical stores, and got their money back, when those headlines came out. I think they even interrupted Perry Como or something to announce it on the television, that he had said that.

Not many people in Sudbury are as sceptical as myself of some of the utterances of some of the hon. members of this government. But I wondered, because I knew this was about the ninth time that he had promised the road to Timmins, at least the ninth time in his career as leader of the government. It had been promised many times by those who preceded him and, well, since that they have not got the courage, those who were engaged in the organization of the trek, they have not had the courage to start another one.

I sum it up this way, here is the final note that I put on it. Tomorrow the representatives of the northeastern chambers of commerce come to see the Cabinet, to present a brief to the Cabinet, and I have been invited. I have not been invited by the Cabinet, I hasten to add, I have been invited to accompany them. I take pleasure in reporting here and now that I have been invited to accompany them tomorrow because in case I am not welcome perhaps someone in the Treasury benches will send me a note and ask me not to come. My feelings then will not be hurt. However, they are going to be there tomorrow and many of the people who are vitally interested in the construction of this road link from Sudbury to Timmins are going to be there and I assume that it is going to be part of their brief.

They are going to be disappointed when they look at the capital works projects and see that there is not a penny provided for even any survey of the feasibility, or the practicality, of the layout of that road. It is a poor way to greet those fine people from northeastern Ontario.

I merely say this in conclusion: they had the money last year, \$20 million they did not spend. That money could have been used for that very important piece of construction of highway.

I say to the hon. member for Wentworth (Mr. R. C. Edwards) who is accustomed, being the fine Christian gentleman that he is, to take things sometimes at face value when perhaps people of more sour nature are inclined to look a gift horse in the mouth—I say to him that one of the reasons that they do not provide us with this book called *Capital Construction Programme* until the very last moment is they are ashamed of it. They are ashamed of its inaccuracies.

If the hon. members want to see a glaring inaccuracy in it, I invite them to turn to page 137 and have a look at it with me. I pause, Mr. Chairman, like any good clergyman would, having announced the hymn. Page 137, hon. members will see three-quarters of the way down the page, this statement: "Granular base, ditching, culverts and hot mix, Highway 634, junction Highway 544 and Highway 634 northerly, length miles, 1.0."

Now that is not very good English, because there is not a complete English sentence anywhere on that page. But we will not stop or pause to analyze the grammatical construction, but I would like hon. members to look at that one mile. If they look at the chart over on the opposite page there, at the top, they will note that according to the symbol used—proposed new work roadway is indicated with a heavy solid black line—all that crooked road that they are building there is proposed new work. Now I testify here and now that that distance, and confirmed by the scale of miles—

Mr. Chairman: This comes under vote 703.

Mr. Sopha: Well, I am almost finished. I am talking about inaccuracies in the main office, and until the hon. Minister corrects the inaccuracies, sir, I cannot feel justified in voting for his salary.

But you will note the distance as shown on the map is about nine miles from the point of Highway No. 544 to the hamlet of Val-Caron. The hon. leader of the Opposition (Mr. Wintermeyer) will remember the last time he was in Sudbury, when we drove him to the airport after nominating the man who will defeat the hon. member for Nickel Belt (Mr. Belisle) at the next election, that that was the highway over which we crossed to the airport. I say in a somewhat serious vein that, if the hon. Minister is going to build one mile of highway, then why in his chart, does he have to show it at about nine miles, when he is not going to build nine miles, he is going to build only one.

I suspect the reason they show it to be such

a distance is because there is so little highway work to be done in the district of Sudbury this year that they are ashamed of it. And I would ask the hon. Prime Minister (Mr. Robarts) and the hon. Minister of Highways and his colleagues on that side of the House to remember that I represent an urban riding, the city of Sudbury, and any assistance we get in the city of Sudbury from The Department of Highways is from his municipal programme which is statutory, generally statutory. All the rest of this vast area here outside the urban centre of Sudbury has presently an hon. member from the Conservative party.

Perhaps the hon. Minister has forgotten but the hon. member for Nickel Belt (Mr. Belisle) who has not been here much, is one of the supporters of his government.

Maybe, as my hon. friend from Windsor-Walkerville (Mr. Newman) says, maybe that is the reason why he is not here, that he is so displeased and upset with the pittance that the hon. Minister gives him. I think the total for this year is about 44 miles of road in the whole vast district of Sudbury, that are going to be built. Not many of them will be adjacent to Sudbury, some on the island, some down towards Little Current and White Fish Falls, and even Elliot Lake is included.

Elliot Lake is in the district of Algoma, it is part of the Sudbury highway district, but the longest stretch of road that is going to be built under the Sudbury district is the 10 miles that is going to be built in Elliot Lake. Subtract the 10 miles and the hon. member for Nickel Belt gets virtually nothing from this government at all.

I will say this in conclusion: that at least Highway No. 634, I ought to point out to the government, goes past his door, goes past where he lives. I do not know whether that will assist him to be re-elected or will help to defeat him, if the only road being built adjacent to Sudbury goes past the door of the hon. member. I think that most of the electorate would take a very dim view of that. However, I will leave it but maybe he will be back soon—perhaps he will be back tonight—and he will be able to make his own plea to this government for the road to Timmins.

Now, sir, under the main office there is one other item that I should like to take up, just one item. I was reading only yesterday that H. L. Mencken said, if a person attempts to expose foolishness, the foolishness will be destroyed; it will go away, people will cease and desist from being foolish.

And I want to turn to something, a foolish act on the part of this department, the foolish

act done not when the present hon. Minister was in charge, and not when his immediate predecessor was in charge, but a foolish act when the dairyman from Dunnville was in charge and it is not many years ago. Now under The Highway Improvement Act—

Hon. J. N. Allan (Provincial Treasurer): Is the hon. member going to compliment me for all the roads we built at that time?

Mr. Sopha: Oh, yes. Oh yes, indeed. Under The Highway Improvement Act, as it was before the revision, under 87: "Every portion of the King's highway shall be maintained and kept in repair by the department." Then it goes on to stipulate that if it is not kept in repair and the fault is with the department, that the department is liable, in damages, for injury or loss caused as a result of the non-repair.

Sub-section 2. These words are important:

In case of default by the department to keep any portion of the King's highway in repair, the department shall be liable for all damages sustained by any person by reason of the default." etc.

Now, that is repeated, almost verbatim, in section 33 of the revision. Nothing, so far as is material to what I say hereafter, has been altered. Now anyone, aside from a lawyer, looking at that, looking at those words, would think that the institution responsible for keeping a highway in repair was The Department of Highways, the department. I notice in the book here, where we are asked to vote, we vote money to The Department of Highways. There is the significant word, "the department."

When a resident of Sault Ste. Marie sustained damage, September 19, 1955, and he brought an action, then the action of the department—I expect it will be said by way of affirmation that the department insures itself. The department buys insurance to protect it against this liability. Is that so, Mr. Chairman? It insures through a private insurance company? Well, that is even worse.

Now this individual—it is difficult to pronounce his name—Mr. Perepelytz, whom, I am told, is a man of very limited means, started an action on September 19, 1955 in the office of the local registrar at Sault Ste. Marie, against the township of Korah and The Department of Highways, as named defendants. Notwithstanding all I have said, and what I have recited from the book about the liability to keep in repair by The Department of Highways, the department, under the aegis of the hon. Provincial Treasurer (Mr. Allan)—who, apparently, was very sensitive

about such things as that—after the action had been started and The Department of Highways had been named in that way as a defendant, they apparently pointed out to the solicitors for the plaintiff in Sault Ste. Marie, to look a little further down that long section 87. When one does so, one sees in sub-section 8—it goes to 10; 10 sub-sections to that section 87—these words:

In any action under this section against the department, the defendant may be described as "His Majesty the King in the right of the province of Ontario, represented by the Minister of Highways for the province of Ontario."

In other words, they are pointing out to the solicitor how to name the Crown in the writ of summons. But you note, Mr. Chairman, the words "may be described." Now I would not believe for a moment that Perepelytz, having issued his writ—if the township of Korah, and The Department of Highways; I would not believe for a moment that the former hon. Minister was sensitive about the way he was described. I would not think that, knowing the man as I do, that it was a case of sensitivity and "either I am going to be described right, or you are not going to proceed."

But it is like, to draw an analogy—supposing Perepelytz had walked in to buy his licence plates over there in the building, that he had said, "Where is The Department of Highways?" to some uniformed attendant. One would not expect the attendant to say, "You do not mean The Department of Highways, you mean His Majesty the King in the right of the province of Ontario, represented by the Minister of Highways for the province of Ontario."

Now, one would never expect that response. The Department of Highways is fairly well known throughout the province, and aside from its name, I suspect that a great majority of the people in the province, know generally what its duties are. However, after the year had gone by from the date when Perepelytz sustained his damages, the solicitors for the insurance company, the claim had been subrogated, pointed out to the solicitors for the plaintiff: "Well, you have not sued the right body. You have named The Department of Highways but you have to call it Her Majesty the Queen, in the right of the province represented by the Minister of Highways."

So the solicitors for the plaintiff, and I ask hon. members to pay careful attention to what went on after this, they moved before Judge McDonald of Sault Ste. Marie, a very able,

fair-minded and sympathetic judge, to amend the writ. They said: "We should not really have the department in here, we should have this long style of clause here to properly describe the Minister of Highways." I say to those hon. members of the House who do not know the details of such things, that the Queen, the Crown, cannot be sued in her own courts unless there is statutory permission to do so. But in common law, the Queen could never be haled into her own court. That is one of the prerogatives of the Crown. The only way one can sue the Crown is if there is some statute that abrogates the prerogative of the Crown, and this is one of them.

Anyway, it went before Judge McDonald for that simple amendment and Judge McDonald was pleased to grant it. He issued an order striking out Department of Highways and putting in Her Majesty the Queen as represented by the hon. Minister of Highways in the right of the province of Ontario. Now hon. members would think the hon. Minister of Highways, even the insurance lawyers to whom he had subrogated the claim, would not indulge in pettifoggery, would not indulge in the trivial, that they would let Perepelytz get on with his action and find out whether the department on the merits of the case had failed to keep in repair a road that they were liable to keep in repair. Have done with the thing. See if Perepelytz was entitled to any compensation. Pay him or, in the other case, if he was not entitled to his compensation, then let it be tried by a judge and his claim adjudicated upon and be dismissed.

One would think that would be the way for a government department or Minister of the Crown to approach such things. But what did they do? Well, they got into high dudgeon. Judge McDonald had issued the order amending the writ. That was the only statement that had been issued—no statement of claim, just the writ—at this point. They take Perepelytz to the court of appeal, they appeal Judge McDonald's order, they go down before the court of appeal, and the lawyers are getting more expensive as we go along. Some of the leaders of the bar are involved in it and from page 553 to 580—27 pages in the *Ontario Reports*—three of Her Majesty's learned judges are exercised about whether Perepelytz has done the right thing in suing The Department of Highways or Her Majesty the Queen, etc., and they split two to one.

Mr. Justice Hogg and Mr. Justice Schroeder go through the prerogatives of the Crown as far back as 1382, tracing the history, defending the honour of the hon. Minister of High-

ways to be described in the proper way. However, the hon. Minister of Highways and his solicitors do not put it over Mr. Justice McKay. He is on Perepelytz's side, and from page 570 to 580 Mr. Justice McKay comes down four-square for justice and says: "What does it matter? You call it The Department of Highways, or call it the Minister of Highways, or Her Majesty the Queen, etc. It is all the same outfit." All right, so they win there, two to one.

One is entitled to wonder at this point where Perepelytz, the poor man, is getting all his money, getting all his money to resist this assault hon. members see to have his action tried by The Department of Highways. They have got lots of money, \$267 million, but Perepelytz finds it hard to scrape up enough, no doubt, to pay his lawyers.

So, as a result let me read hon. members the head note of section 87 of The Highways Improvement Act permitting the bringing of an action against the department for damages arising out of non-repair of the King's highway. It introduces a new right of action and derogates from two established prerogatives of the Crown. The procedure described by the section must therefore be strictly followed and the defendant must be described in the writ as provided by subsection 8 as Her Majesty the Queen, in right of the province of Ontario, represented by the Minister of Highways, the province of Ontario. A writ in which the defendant is described as The Department of Highways for the province of Ontario is a nullity and cannot be amended by substituting the name of Her Majesty as the defendant.

So hon. members see at that point, Mr. Perepelytz had never had his action tried, but he is out of court. He is out of court. The writ is a nullity, Mr. Chairman. The year has gone by.

This is a great victory for the department, and who knows, perhaps there was wassailing in the corridors of the department, in the offices, that Perepelytz's attempts to get money out of the department had been defeated—defeated on a technicality albeit, never yet defeated on the merits. But they reckoned without Mr. Perepelytz, because he was determined to go further and he went. Yes, sir.

Now, to take an appeal to the Supreme Court of Canada from a decision of the Court of Appeal, in such a case—I think I am right but I am open to correction—but in such a case he must first argue for leave to appeal before a single judge of the Supreme Court. My hon. friend from Kingston (Mr.

Nickle), who has practised at the bar for many years, nods to me.

He must apply for leave to appeal. That is one trip down to the ultimate in marble architecture, the highest court of judicature in this land, at Ottawa. Then, if he is successful—and he was, he got leave to appeal—then what must he do? He must put \$500 in court, he must scrape up \$500 and deposit it in court to pay for costs, security for costs. Then he must proceed to get his factum printed.

A factum is the statement of all the evidence and material, a reproduction of all the material and all the evidence that has been taken up to that point and his argument of law. At a conservative estimate, it costs about \$1,000 to have the law publishers publish the factum, and that must be deposited in the court in 25 copies, 25 copies must be deposited with the Supreme Court of Canada. So before his lawyer has uttered a word down in the Supreme Court, Mr. Perepelytz is out at least \$1,500, not counting the money he had spent in resisting the appeal brought by the department in the Court of Appeal. All that is already down the drain, a further \$1,500.

As I said, Mr. Perepelytz was a very determined man and away he went to the Supreme Court of Canada. This time there was no dissent, no dissent. This exercised the time and attention of five judges, the Chief Justice, Messrs. Justices Taschereau, Rand, Locke and Cartwright. They were unanimous in their opinion and they managed to dispose of the contention of The Department of Highways and the hon. Minister of Highways in exactly six pages. Let me just read to hon. members what Mr. Justice Rand had to say. He is no longer on the court, he is now dean of a law school. Harken how short his judgment is:

The effect of the several statutory references to The Department of Highways in respect of duties and the created liability toward injured persons is to permit an action to be brought against the Crown designated by that expression as a name. Any other construction would be little short of a statutory snare for the practitioner. The permission to bring the proceeding in the name of Her Majesty does not exclude that, but taken as furnishing an additional mode. I would therefore allow the appeal and restore the order of the district court judge as proposed by the chief justice.

And let it be said Perepelytz got his costs against them throughout.

An hon. member: How much were they?

Mr. Sopha: At a guess the costs at that point were probably somewhere between \$5,000 and \$6,000—\$5,000 and \$6,000 of taxpayers' money.

Mr. A. F. Lawrence (St. George): What was the name of the plaintiff's solicitor who made the error in the first place?

Mr. Singer: He did not make an error because the Supreme Court of Canada said so.

Mr. Sopha: There was no error. There was no error. Mr. Justice Rand said there was no error. He said Perepelytz could bring his action against The Department of Highways or against Her Majesty the Queen as represented by the hon. Minister of Highways. There were alternative modes.

I started by calling it foolishness and is it not foolishness? Is it not foolishness when a litigant seeks to assert right in the court for damages because of alleged non-repair? Then certainly public policy must demand, it is only common sense, that you get on to the trial of the action and let the judge decide. Let the judge decide, not the jury, because they do not permit juries. This department would not risk itself before a jury. It has to be tried by a judge alone.

Hon. Mr. Allan: It was the insurance company.

Mr. Sopha: I am glad the hon. Provincial Treasurer (Mr. Allan)—the fastidious dairyman from Dunnville who had to be described correctly—I am glad he mentioned the insurance company. Because, you see, it is not the case of the litigant against the government at all.

Hon. Mr. Allan: I heard the hon. member the other day speaking about ministerial interference.

Mr. Sopha: It is not the case of the litigant against the government at all; it is the litigant against the insurance company—against the insurance company. And what have they done? Here is the sacrilege. Here is the sacrilege of what they have done, that in subrogating their claim to insurance companies and letting them defend, then from their offices, in their marble edifices on Bay Street, this government, this department, almost picks up the prerogatives of the Crown, puts them in a suitcase and takes them down to the insurance company's office.

Here, they say to the insurance company,

all the special rights that inhere in the Crown—all the privileges of the Queen in her own courts—they are yours and you can use them. Here are the insurance companies and their lawyers using all these devices and this legal pettifoggery in order to obstruct and block and prevent Perepelytz from having his case tried in court.

To put it in another way, one would assume that if it were the department's solicitors, or the hon. Minister was concerned—but I venture to say that when the writ comes into the department the hon. Minister never sees it, he never sees it. It comes in and immediately it is sent down to the insurance company's lawyers downtown.

If there was a personal touch, if Perepelytz's problem came on the desk of the hon. Minister, when he saw the nature of the injury and the claim for compensation, the hon. Minister might look at it, assess it, and say, "Has this man a just claim?" One would never think an hon. Minister in the exercise of his good common sense would permit his solicitors to indulge in such trumpery and pettifoggery as to resist a claim because the defendant had not been named properly. "You did not call me by my right name. You cannot sue me because you did not call me by my right name." Well, who has such fastidious care about what he is called? You should hear some of the things I am called sometimes.

The situation is that government has gotten so far away from the people now that the hon. Minister never sees a case like Perepelytz; he never sees it. Immediately it comes through the door, the document with the red seal on it is sent down to the insurance company's office downtown.

Hon. Mr. Allan: What would the hon. member do?

Mr. Sopha: What would I do? I would insure myself. I would insure myself, my car—the reason I looked into this was because I had occasion to bring action against the department and I see the type of pettifoggery the litigants meet with. I never bothered to look to see how Perepelytz made out finally. I do not know. But I hope—I am afraid to look, because when I see a man of the assiduity and the tenaciousness and the spirit of Perepelytz, who takes the department to the Supreme Court of Canada in order to uphold his rights on a question of principle, then I hope that finally in the ultimate trial of his case that he won his damages. I hope he won, because I would be depressed if the department licked him.

Hon. Mr. Allan: The hon. member must be depressed then.

Mr. Sopha: I hope after all that trouble that the hon. Minister and the insurance company and the smart lawyers down on Bay Street gave him about such a picayune, puerile, petty business as not naming the department properly—I hope they had the decency to settle with him out of court.

Hon. Mr. Goodfellow: Mr. Chairman, I am really interested. You know, at times one of the great disappointments of my life is that I did not have the opportunity to go through for law, but for once I am glad I did not go through for law.

I would say, Mr. Chairman, the hon. member for Sudbury raised the matter about the fact that The Department of Highways did not expend the budget approved by the House last year. I want to assure him that this year's budget is a realistic budget.

I find that we voted \$144 million last year and there was \$136 million expended, a difference of \$8,105,000, and that can be accounted for, whether it is good or bad, by the contractors in this province bidding away below the estimates of The Department of Highways in the past 12 months.

That accounts for \$8,105,000. We estimated we would receive \$10 million in refunds from the federal government on the Trans-Canada highway and the Queensway and actually we received \$16.6 million, so we have received \$6.6 million more than we anticipated, so that \$14,705,000 is added to \$8,105,000.

Then I find on maintenance of King's highways, a year ago, as many of us will recall, we did not have as much snow as usual, so we spent \$1,614,000 less than we estimated for maintenance, mostly owing to the fact there was a light snowfall.

Then we also find that the municipal assistance was \$4,145,000 less than we had budgeted for, or less than we expected.

Then I find another one here, \$301,000, which was effected through economies in the department. That makes it up to the \$20 million the hon. member spoke of.

Mr. Sopha: Perhaps the hon. Minister of Highways (Mr. Goodfellow) will remember, if he was in the House the other night when the hon. Minister of Economics and Development (Mr. Macaulay) refused to answer a question because there was no money voted for it in the estimates. Now I tender to the hon. Minister of Highways the converse:

where in these estimates is there a dollar asked for insurance premiums for the department's liability under section 33 of The Highway Improvement Act?

Hon. Mr. Goodfellow: It is in the maintenance vote.

Mr. Sopha: Where?

Hon. Mr. Goodfellow: It is included in the general maintenance.

Mr. Sopha: I have examined the public accounts for the last three years and I do not find anywhere in the public accounts a dollar for insurance premiums, nor do I find a recital of a five-cent piece for paying any liability, any judgments for damages under section 33 of The Highway Improvement Act. I do not see a reference anywhere in the public accounts for the last three years. Perhaps the provincial auditor had better have a look at the hon. Minister's department and see where that money is.

Mr. Chairman: Is vote 701 agreed?

Mr. Singer: Oh, no! Just let us wait and see if we get an answer to some of these things.

Mr. Sopha: The hon. Minister of Economics and Development (Mr. Macaulay) got so smart the other night about no money voted. Well, if they are using money, show us in the public accounts or in the estimates from which the money is coming.

Hon. Mr. Goodfellow: Mr. Chairman, if the hon. member for Sudbury (Mr. Sopha) has quieted down now, the department carries the following insurance: fleet policy on autos, trucks and trailers, protection for public liability and property damage claims; fire and transportation policy, protection of vehicles from loss from fire or damage from being transported; non-ownership policies on motor-operated trucks and cars, protection from the Crown for third party claims not covered by employees' insurance, employees using own vehicles on authorized government duty; house-moving policy, protection from claims for negligence, Department of Highways employees supervising house-moving; road liability policy, protection from public liability or property damage claims made under The Highway Improvement Act; ferry liability policy, same protection for ferries as under road liability policies; ferry, hull and marine policies covers loss by collision, sinking, etc.; traffic counters policy covers losses by theft or damage to traffic counter

equipment; Rainbow Bridge and Canadian Plaza policies, protection of public liability and property damage claims, also covers damage to heating and lighting equipment, plate glass, government maps, etc.; fidelity bond on staff.

Total insurance premiums paid by the department, and this can be found in the public accounts: 1958, \$193,849; in 1959, \$198,789; 1960, \$196,110; 1961, \$193,151; 1962, estimated \$247,000; and these estimates, 1963, \$270,000.

Mr. R. C. Edwards: Mr. Chairman, I wonder if the hon. Minister would table a breakdown. I understand that those charges cover all departments and when we tried to get this from another department we were told to inquire here. Would the hon. Minister give us a breakdown of that coverage as related to departments?

Hon. Mr. Goodfellow: Yes, according to the chief accountant we do carry complete insurance for all government departments and we recover approximately \$100,000 a year. If the hon. member refers to the 1960-1961 estimates on 835, he will find an item there for insurance, \$299,204.46. This is just for the information of the hon. member for Sudbury (Mr. Sopha).

Mr. Sopha: Why does the hon. Minister not insure himself?

Hon. Mr. Goodfellow: I do, but I pay my own premiums.

Mr. Sopha: Why does the hon. Minister bother sending it out? Why does he not self-insure? As far as I can tell, he never loses a case.

Hon. Mr. Goodfellow: Mr. Chairman, the only thing I would be afraid of is that the hon. member for Sudbury (Mr. Sopha) might accuse us of playing political favouritism on our settlements. I think it is much better to have independent appraisals on these settlements.

Mr. Sopha: Then finally, does the hon. Minister believe it is right for a private insurance company to have the right to use all these legal devices, the prerogatives of the Crown, to defeat claims of litigants? Does he feel that is just?

Hon. Mr. Goodfellow: Mr. Chairman, I would have to get advice from the hon. Attorney-General (Mr. Roberts) or the hon. Prime Minister (Mr. Robarts) as lawyers. I would not pass an opinion on this.

Mr. Sopha: Does the common-sense of the hon. Minister tell him? Cannot he tell by his own common-sense?

Let us put it this way. The Legislature having given a right to the litigant to sue the Crown, and derogation of the prerogatives of the Crown, does the hon. Minister then think it is right to interpose a third agency between the state and the litigant, to interpose a third agency in the form of a private insurance company that then uses all these pettifogging devices to defeat his claim? Does he think that is—does he believe that is the way government ought to be conducted, against the citizen? Is that what he believes?

Hon. Mr. Goodfellow: I will let the hon. member know tomorrow. I will have to think it over.

Mr. Sopha: Well, I thank the Lord that I am for the poor plaintiffs. If the hon. Minister is for the insurance company and such pettifoggery as this, I am glad I act for plaintiffs.

Mr. L. Troy (Nipissing): Mr. Chairman, on page 14 of the hon. Minister's statement in regard to the qualifications for procedures; a final sentence in the paragraph is: "I am pleased to report that to date not a single contractor who was awarded one of our pre-qualified contracts has failed to satisfactorily complete the contract."

Did the contract for asphalt on Highway No. 401 between Cobourg and Brighton, which was given to the British American Oil Company, fulfil the pre-qualifications that the hon. Minister wanted? Does that jibe then, because I understand from this statement that the new asphalt is defective on 20 miles of

401—Cobourg to Brighton. If they certainly could not satisfactorily complete the contract, if the—

Hon. Mr. Goodfellow: Mr. Chairman, in order to clarify this, the company that had the contract did not supply the asphalt. The Department of Highways supplies the asphalt to the contractor.

Mr. Troy: Where does The Department of Highways get the asphalt? They got it from the British American Oil Company, did they not?

Hon. Mr. Goodfellow: Right.

Mr. Troy: Well, then, how can they satisfactorily—I suppose that satisfactorily completing the contract is giving the department some asphalt, no matter what it is. Defective asphalt—is that satisfactory?

Hon. Mr. Goodfellow: No, no. I do not know what—

Mr. Troy: Well, that is what the hon. Minister says in his paragraph.

Hon. Mr. Goodfellow: I understand from the Deputy Minister that satisfactory settlement was made, as far as the department was concerned, from the oil company for this asphalt which was defective.

Mr. Troy: What was the settlement?

Hon. Mr. Goodfellow: Offhand, the Deputy Minister says \$15,000.

Mr. Troy: The damages were paid by the contractor; is that it?

It being 6 of the clock, the House took recess.

APPENDIX A

	<i>Total Net Department Expenditures</i>	<i>Assistance To Municipalities</i>	<i>Municipal Assistance As Percentage Of Total Expenditures</i>
1957-58	212,669,000	58,273,000	27.41
1958-59	227,547,000	62,050,000	27.27
1959-60	248,514,000	71,316,000	28.70
1960-61	237,994,000	79,812,000	33.54
1961-62 (9/3 est.)	247,175,000	81,190,000	32.85
1962-63 (est.)	264,300,000	90,085,000	34.08

	<i>King's Highway Net Expenditures Excluding Municipal Assistance</i>	<i>Total Municipal Road Expenditures Including D.H.O. Assistance</i>	<i>Municipal Expenditures As Percentage Of King's Highway Expenditures</i>
1957-58	154,396,000	109,068,000	70.65
1958-59	165,497,000	117,096,000	70.76
1959-60	177,198,000	133,811,000	75.52
1960-61	158,182,000	150,307,000	95.03
1961-62 (9/3 est.)	165,985,000	152,702,000	92.00
1962-63 (est.)	174,215,000	169,697,000	97.41



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